

Doing Business 2008

West Bank and Gaza

COMPARING REGULATION IN 178 ECONOMIES

Doing Business 2008 **West Bank and Gaza**

A Project Benchmarking the Regulatory Cost of
Doing Business in 178 Economies

Doing Business Project
World Bank Group



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

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Introduction

Doing Business 2008 is the fifth in a series of annual reports investigating the 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 178 economies—from Afghanistan to Zimbabwe—and over time.

Regulations affecting 10 stages of a business's life are measured: starting a business, dealing with licenses, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business. Data in *Doing Business 2008* are current as of June 1, 2007. 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 a country'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, and the underlying strength of institutions -- are not studied directly by *Doing Business*. To make the data comparable across countries, the indicators refer to a specific type of business -- generally a 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 178 economies: 46 in Sub-Saharan Africa, 31 in Latin America and the Caribbean, 28 in Eastern Europe and Central Asia, 24 in East Asia and Pacific, 17 in the Middle East and North Africa and 8 in South Asia—as well as 24 OECD high-income economies as benchmarks. Some of the regions have been divided into subregions to generate a total of 13 regional profiles.

The following pages present the summary *Doing Business* indicators for West Bank and Gaza along with the comparator economies selected. The data used for this country profile come from the *Doing Business* database and are summarized in graphs and tables. This report allows a comparison of the economies not only with one another but also with the “best practice” economy for each indicator.

The best-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 economies. These best-practice economies do not necessarily rank number 1 in the topic or indicator, but they are in the top 5.

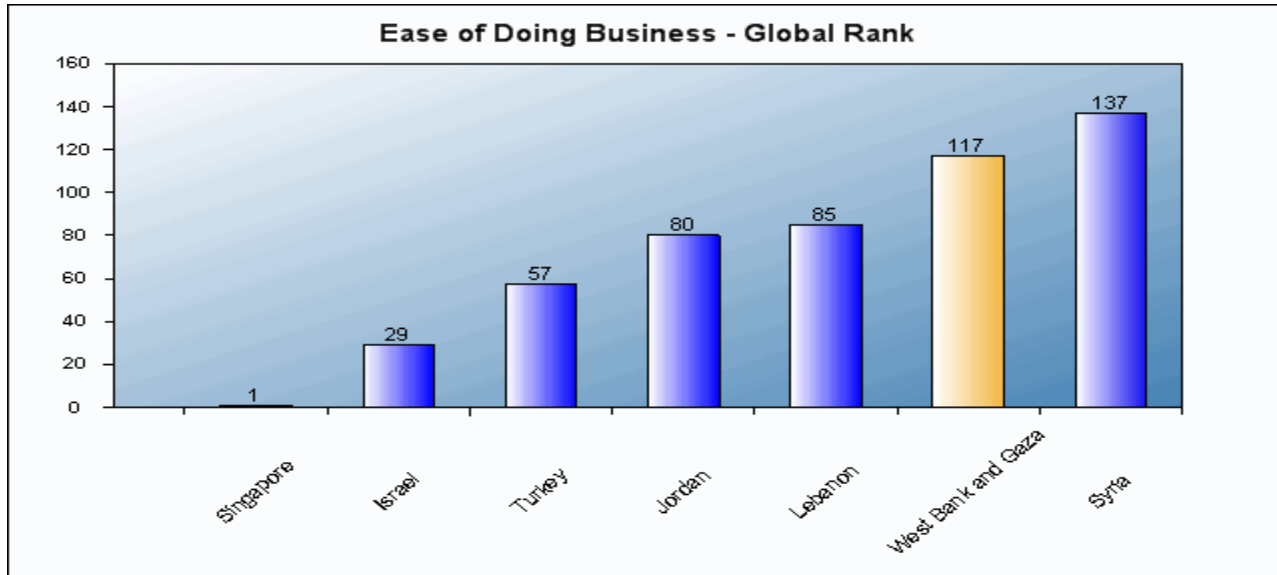
More information is available in the full report. *Doing Business 2008* presents the indicators, analyzes their relationship with economic outcomes and recommends reforms. The data, along with information on ordering the report, are available on the *Doing Business* website

<http://www.doingbusiness.org>

Economy Rankings - Ease of Doing Business

West Bank and Gaza is ranked 117 out of 178 economies. Singapore is the top ranked economy in the Ease of Doing Business.

West Bank and Gaza - Compared to Global Best / Selected Economies:



West Bank and Gaza's ranking in Doing Business 2008

Rank	Doing Business 2008
Ease of Doing Business	117
Starting a Business	166
Dealing with Licenses	132
Employing Workers	103
Registering Property	118
Getting Credit	68
Protecting Investors	33
Paying Taxes	22
Trading Across Borders	77
Enforcing Contracts	125
Closing a Business	178

Reforms - Who is reforming?

This year Egypt tops the list of reformers that are making it easier to do business. Egypt's reforms went deep with reforms in 5 of the 10 areas studied by Doing Business, and it greatly improved its position in the global rankings as a result. Besides Egypt, the other top 10 reformers are, in order, Croatia, Ghana, FYR Macedonia, Georgia, Colombia, Saudi Arabia, Kenya, China, and Bulgaria.

1. **Egypt**, the top reformer in the region and worldwide, greatly improved its position in the global rankings on the ease of doing business. Its reforms went deep. Egypt cut the minimum capital required to start a business, from 50,000 Egyptian pounds to just 1,000 and halved the time and cost of start-up. It reduced fees for registering property from 3 percent of the property value to a low, fixed amount. It eased the bureaucracy that builders face in getting construction permits. It launched new one-stop shops for traders at Egyptian ports, cutting the time to import by seven days and the time to export by five. And it established a new private credit bureau that will soon be making it easier for borrowers to get credit.

2. **Croatia** reformed in four of the 10 areas studied by Doing Business. Two years ago, registering property in Croatia took 956 days. Now it takes 174. Company start-up also became faster, with procedures consolidated at a "one-stop shop" and pension and health services registration now online. Credit became easier to access: a new credit bureau was launched, and a unified registry now records charges against movable property in one place. In its first two months, €1.4 billion in credit was registered. In addition, amendments to the country's insolvency law introduced professional requirements for bankruptcy trustees and shorter timelines.

3. **Ghana**, a top 10 reformer for the second year running, continues to increase the efficiency of its public services. It cut bottlenecks in property registration, reducing delays from six months to one. Greater efficiency at the company registry and the environment agency cut the time for business start-up to 42 days. Changes in the port authority's operations sped up imports. New civil procedure rules and mandatory arbitration and mediation reduced the time it takes to enforce contracts.

4. **FYR Macedonia** eliminated the minimum capital requirement for business start-up, sped up the process for getting construction permits, lowered the corporate income tax rate to 12 percent (with another cut to 10 percent planned for 2008), and simplified tax payment procedures. Its ranking on the ease of doing business rose from 96 to 75.

5. **Georgia** reformed in six areas. It strengthened investor protections, including through amendments to its securities law that eliminate loopholes that had allowed corporate insiders to expropriate minority investors. It adopted a new insolvency law that shortens timelines for reorganization of a distressed company or disposition of a debtor's assets. Georgia sped up approvals for construction permits and simplified procedures for registering property. It made starting a business easier by eliminating the paid-in capital requirement. In addition, the country's private credit bureau added payment information from retailers, utilities, and trade creditors to the data it collects and distributes.

6. **Colombia**, the region's top reformer, has made great strides in easing trade. By extending port operating hours and adopting more selective customs inspections, it reduced the time for port and terminal handling activities by three days. The country strengthened investor protections by increasing disclosure requirements for related-party transactions. It introduced an electronic tax filing system, cutting the average time businesses must spend on tax compliance each year by 188 hours, or 41 percent. And it is progressively reducing the corporate income tax rate, from 35 to 34 percent in 2007 and 33 percent in 2008.

7. **Saudi Arabia**, the runner-up reformer in the region, eliminated the minimum capital requirement of 1,057 percent of income per capita and reduced the days needed for company start-up from 39 to 15. It launched a commercial credit bureau whose reports include the credit exposure of companies. It also sped up trade, reducing the number of documents required for importing and cutting the time needed for handling at ports and terminals by two days for both imports and exports.

8. **Kenya**, the region's other top 10 reformer, launched an ambitious licensing reform program. So far the program has eliminated 110 business licenses and simplified eight others. The changes have streamlined business start-up and cut both the time and cost of getting building permits. The program will eventually eliminate or simplify at least 900 more of the country's 1,300 licenses. Property registration is also faster now, thanks to the introduction of competition among land valuers. And the country's private credit bureau now collects a wider range of data.

9. In **China**, a new property law put private property rights on equal footing with state property rights. The law also expanded the range of assets that can be used as collateral to include inventory and accounts receivable. The new bankruptcy law gives secured creditors priority to the proceeds from their collateral. Construction also became easier, with electronic processing of building permits reducing delays by two weeks.

10. **Bulgaria** eased the tax burden on businesses and made it easier to pay taxes online. Bulgaria also introduced private bailiffs to improve efficiency in enforcing judgments. And it made building inspections less burdensome.

Number of reforms in Doing Business 2008

Rank	<div>✓ Positive Reform</div> <div>✗ Negative Reform</div> Economy	Starting a Business	Dealing with Licenses	Employing Workers	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Closing a Business	Total number of reforms
1	Egypt	✓	✓		✓	✓			✓			5
2	Croatia	✓			✓	✓					✓	4
3	Ghana	✓			✓	✓			✓	✓		5
4	Macedonia, FYR	✓	✓					✓				3
5	Colombia						✓	✓	✓			3
6	Georgia	✓	✓		✓	✓	✓				✓	6
7	Saudi Arabia	✓				✓			✓			3
8	Kenya	✓	✓		✓	✓						4
9	China		✓			✓					✓	3
10	Bulgaria		✓					✓		✓		3
	West Bank and Gaza					✓		✓				2
	Israel							✓				1
	Jordan	✓										1
	Lebanon											0
	Syria	✗						✓				0
	Turkey							✓	✓			2

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

Summary of Indicators - West Bank and Gaza

Starting a Business	Procedures (number)	12
	Duration (days)	92
	Cost (% GNI per capita)	280.4
	Paid in Min. Capital (% of GNI per capita)	63.0
Dealing with Licenses	Procedures (number)	21
	Duration (days)	199
	Cost (% of income per capita)	726.1
Employing Workers	Difficulty of Hiring Index	33
	Rigidity of Hours Index	40
	Difficulty of Firing Index	20
	Rigidity of Employment Index	31
	Nonwage labor cost (% of salary)	0
	Firing costs (weeks of wages)	91
Registering Property	Procedures (number)	10
	Duration (days)	72
	Cost (% of property value)	2.2
Getting Credit	Legal Rights Index	5
	Credit Information Index	3
	Public registry coverage (% adults)	1.8
	Private bureau coverage (% adults)	0.0
Protecting Investors	Disclosure Index	6
	Director Liability Index	5
	Shareholder Suits Index	7
	Investor Protection Index	6.0
Paying Taxes	Payments (number)	27
	Time (hours)	154
	Profit tax (%)	16.4
	Labor tax and contributions (%)	0.0
	Other taxes (%)	0.6
	Total tax rate (% profit)	17.1

Trading Across Borders	Documents for export (number)	6
	Time for export (days)	25
	Cost to export (US\$ per container)	830
	Documents for import (number)	6
	Time for import (days)	40
	Cost to import (US\$ per container)	995
Enforcing Contracts	Procedures (number)	44
	Duration (days)	700
	Cost (% of claim)	21.2
Closing a Business	Time (years)	no practice
	Cost (% of estate)	no practice
	Recovery rate (cents on the dollar)	0.0

Starting a Business in West Bank and Gaza: Entry Regulation

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

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

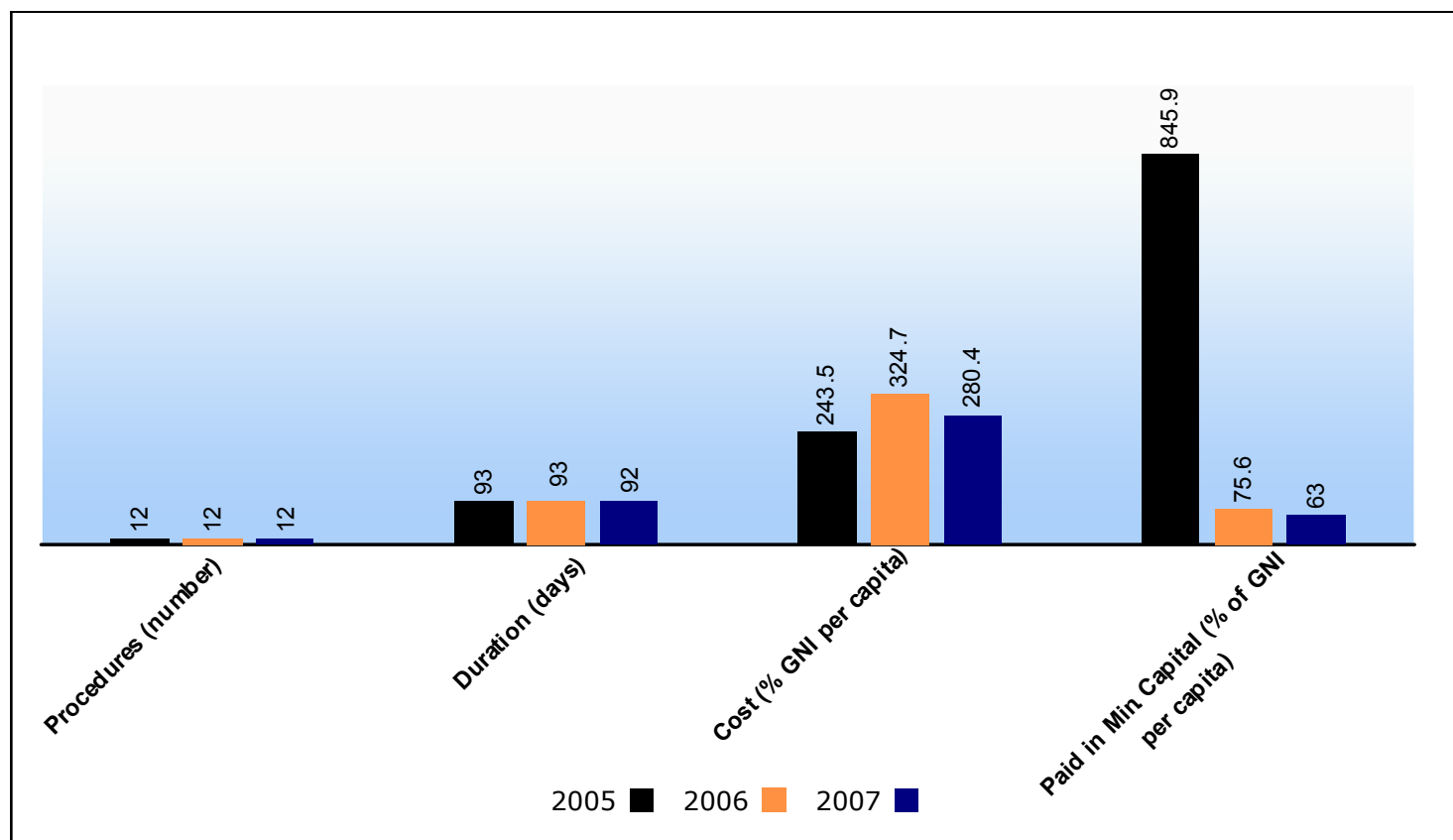
To make the data comparable across economies, detailed assumptions about the type of business are used. Among these assumptions are the following: the business is a limited liability company conducting general commercial activities in the largest business city; it is 100% domestically owned, with start-up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

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

1. Historical data: Starting a Business in West Bank and Gaza

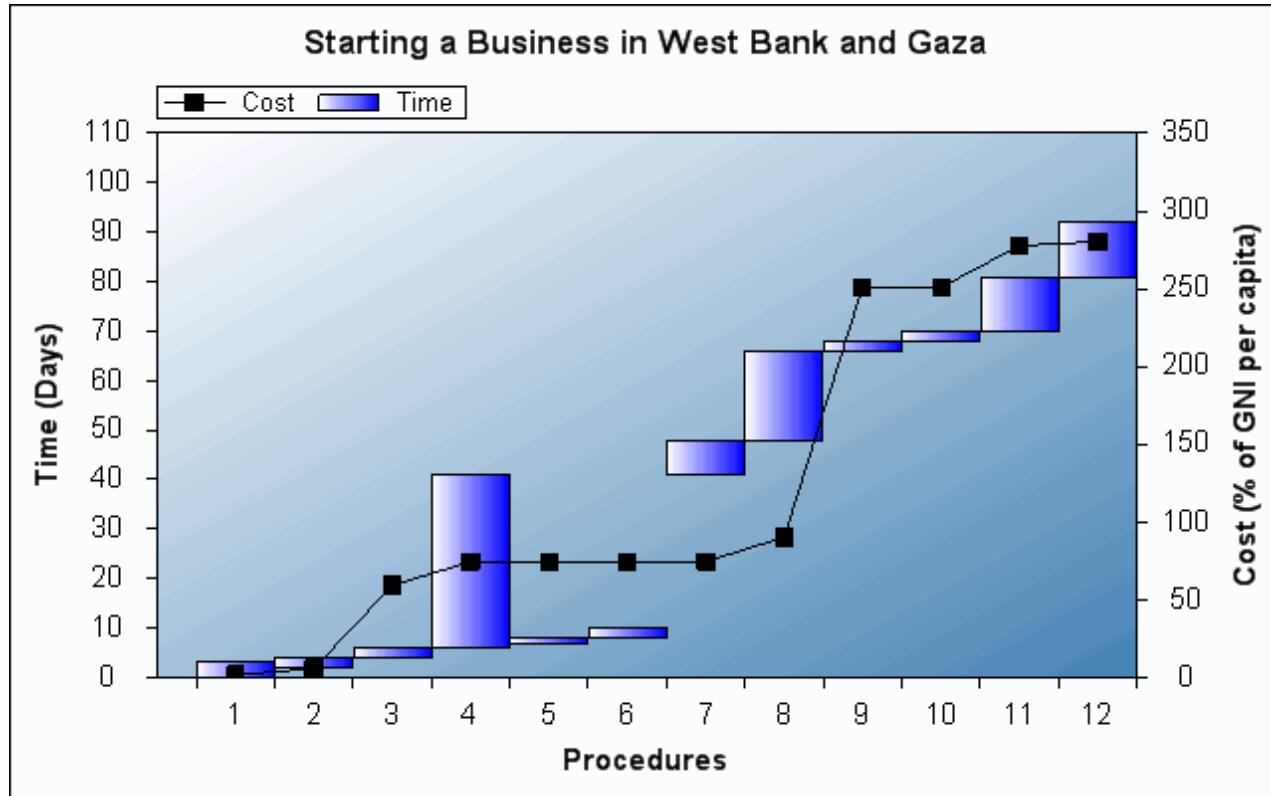
Starting a Business data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		172	166
Procedures (number)	12	12	12
Duration (days)	93	93	92
Cost (% GNI per capita)	243.5	324.7	280.4
Paid in Min. Capital (% of GNI per capita)	845.9	75.6	63.0

2. The following graph illustrates the Starting a Business indicators in West Bank and Gaza over the past 3 years:



3. Steps to Starting a Business in West Bank and Gaza

It requires 12 procedures, takes 92 days, and costs 280.35% GNI per capita to start a business in West Bank and Gaza.



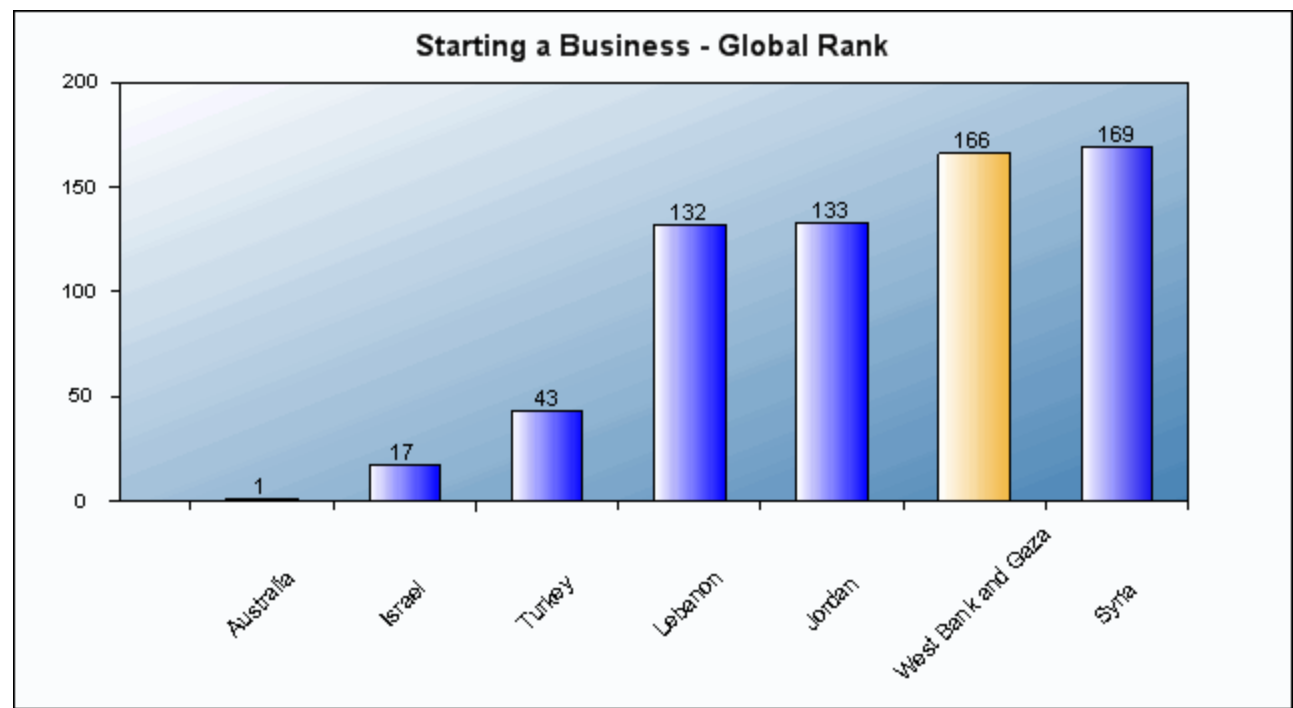
List of Procedures:

1. Search for and reserve company name
2. Obtain temporary copy of registration certificate
3. Local lawyer signs documents
4. Register with commercial registry
5. Deposit initial capital
6. Pay registration fee
7. Register for income and VAT tax
8. Register with Chamber of Commerce
9. Obtain approval from fire department
10. Obtain approval from health department
11. Obtain business license from municipality
12. Obtain and legalize company books

4. Benchmarking Starting a Business Regulations:

West Bank and Gaza is ranked 166 overall for Starting a Business. Australia is the top ranked economy followed by Canada, New Zealand and United States.

Ranking of West Bank and Gaza in Starting a Business - Compared to best practice and selected economies:



The following table shows Starting a Business data for West Bank and Gaza compared to best practice and comparator economies:

Best Practice Economies	Procedures (number)	Duration (days)	Cost (% GNI per capita)	Paid in Min. Capital (% of GNI per
Australia*	2	2		0.0
Denmark			0.0	

Selected Economy				
West Bank and Gaza	12	92	280.4	63.0

Comparator Economies				
Israel	5	34	4.4	0.0
Jordan	10	14	66.2	795.4
Lebanon	6	46	94.1	60.4
Syria	13	43	55.7	3673.3
Turkey	6	6	20.7	16.2

* The following economies are also best practice economies for :

Procedures (number): **Canada, New Zealand**

Paid in Min. Capital (% of GNI per capita): **Canada, Ireland, Israel, Mauritius, New Zealand, Puerto Rico, Thailand, Trinidad and Tobago, United Kingdom, United States**

Dealing with Licenses in West Bank and Gaza: Building a Warehouse

Once entrepreneurs have registered a business, what regulations do they face in operating it? To measure such regulation, Doing Business focuses on the construction sector. Construction companies are under constant pressure—from government to comply with inspections and with licensing and safety regulations and from customers to be quick and cost-effective. These conflicting pressures point to the tradeoff in building regulation—the tradeoff between protecting people (construction workers, tenants, passersby) and keeping the cost of building affordable.

In many countries, especially poor 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. In other countries compliance is simple, straightforward and inexpensive—yielding better results.

The indicators on dealing with licenses record all procedures officially required for an entrepreneur in the construction industry to build a warehouse. These include submitting project documents (building plans, site maps) to the authorities, obtaining all necessary licenses and permits, completing all required notifications and receiving all necessary inspections. They also include procedures for obtaining utility connections, such as electricity, telephone, water and sewerage. The time and cost to complete each procedure under normal circumstances are calculated. All official fees associated with legally completing the procedures are included. Time is recorded in calendar days. The survey assumes that the entrepreneur is aware of all existing regulations and does not use an intermediary to complete the procedures unless required to do so by law.

To make the data comparable across economies, several assumptions about the business and its operations are used. The business is a small to medium-size limited liability company, located in the most populous city, domestically owned and operated, in the construction business, with 20 qualified employees. The warehouse to be built:

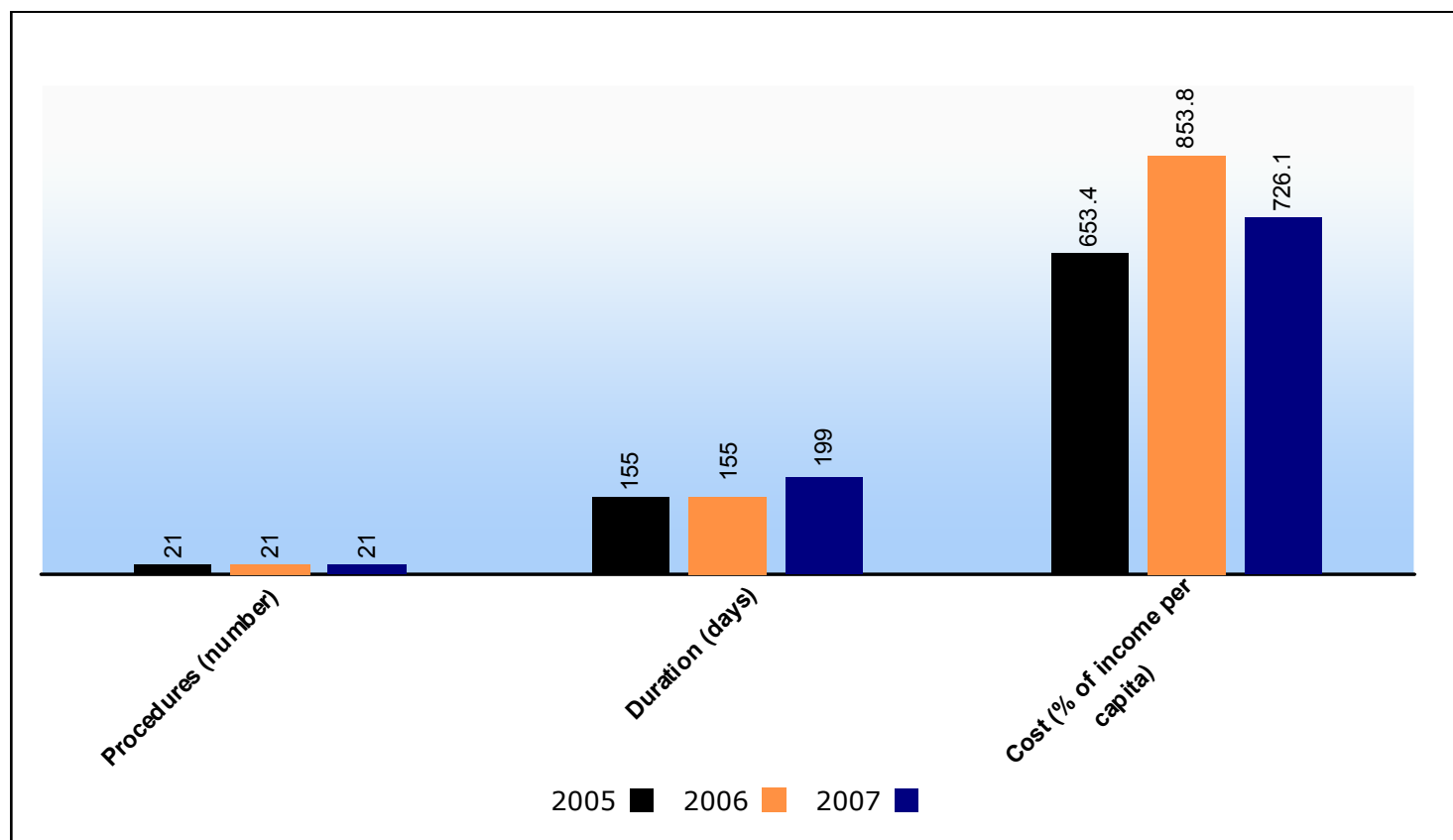
- Is a new construction (there was no previous construction on the land).
- Has complete architectural and technical plans prepared by a licensed architect.
- Will be connected to electricity, water, sewerage (sewage system, septic tank or their equivalent) and one land phone line. The connection to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

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

1. Historical data: Dealing with Licenses in West Bank and Gaza

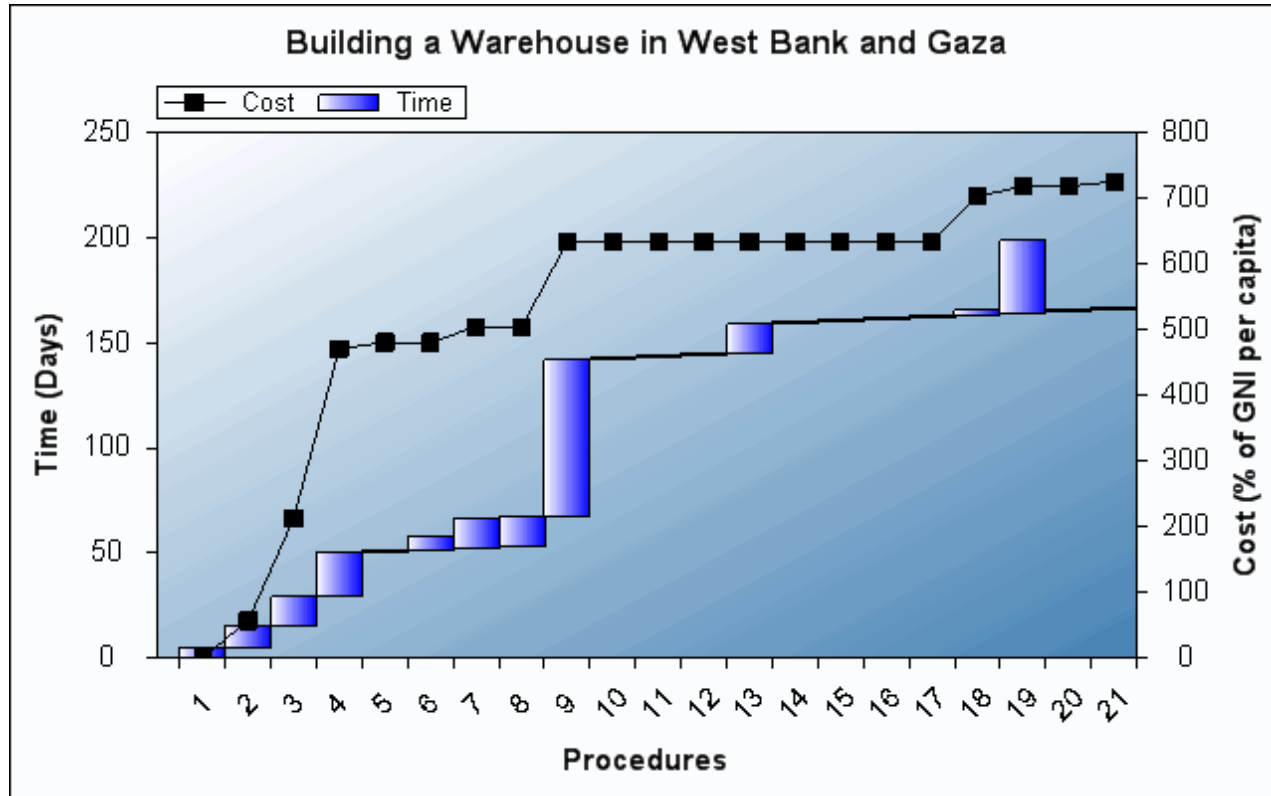
Dealing with Licenses data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		119	132
Procedures (number)	21	21	21
Duration (days)	155	155	199
Cost (% of income per capita)	653.4	853.8	726.1

2. The following graph illustrates the Dealing with Licenses indicators in West Bank and Gaza over the past 3 years:



3. Steps to Building a Warehouse in West Bank and Gaza

It requires 21 procedures, takes 199 days, and costs 726.11% GNI per capita to build a warehouse in West Bank and Gaza.



List of Procedures:

1. Obtain ownership title
2. Obtain survey map
3. Make soil test
4. Hire independent syndicate engineer to review building plans and approve them for submission
5. Submit building permit application
6. Obtain building permit from the municipality
7. Obtain civil defense permit
8. Receive site inspection and approval from the Ministry of Tourism and Antiquities
9. Obtain environmental permit
10. Receive foundation inspection
11. Receive concrete slab inspection
12. Request and receive final inspection

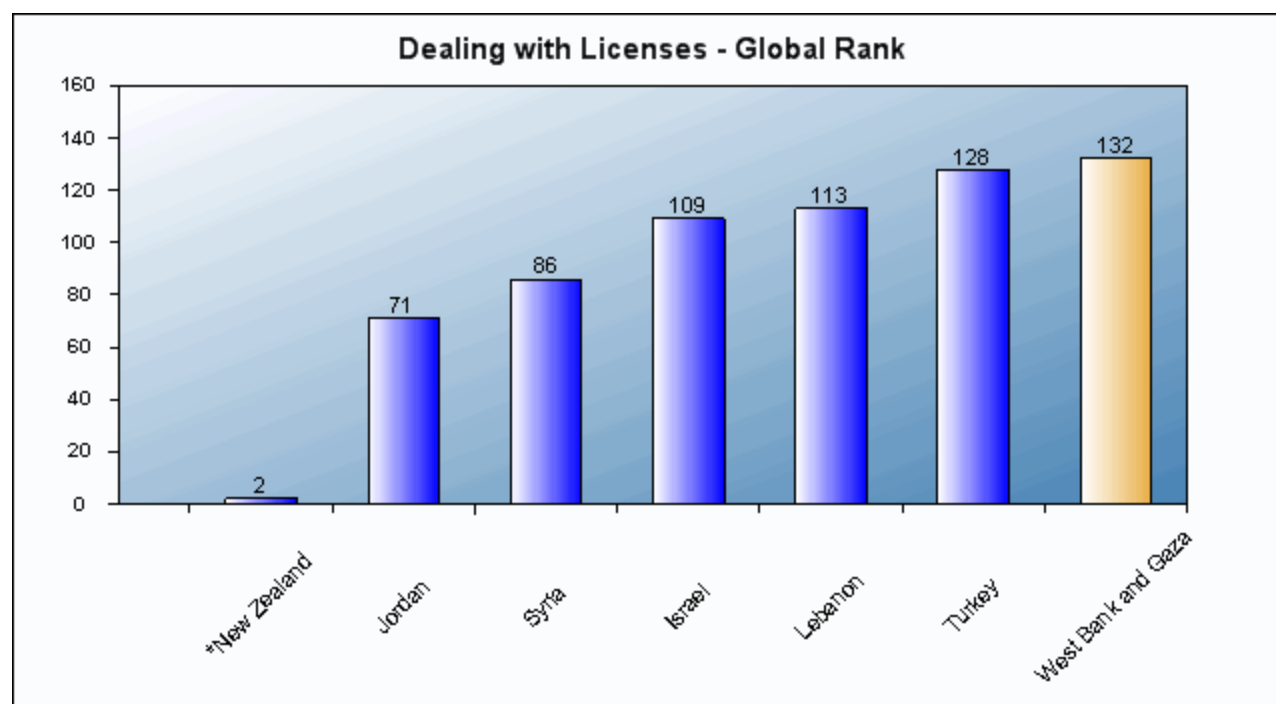
13. Obtain letters of completion from the municipality
14. Bring municipal letters of approval to water and sewage company (GEKA) and make appointment for inspection
15. Bring municipal letters of approval to the electricity company and make appointment for inspection
16. Obtain water and sewage inspection
17. Obtain electricity inspection
18. Obtain water and sewage connection
19. Obtain power connection
20. Receive electricity inspection of the inside of the building
21. Obtain phone connection

More details are available in the appendix.

4. Benchmarking Dealing with Licenses Regulations:

West Bank and Gaza is ranked 132 overall for Dealing with Licenses. St. Vincent and the Grenadines is the top ranked economy followed by New Zealand, Belize and Marshall Islands.

Ranking of West Bank and Gaza in Dealing with Licenses - Compared to best practice and selected economies:



* The following economies are also best practice economies for Building a Warehouse: St. Vincent and the Grenadines

The following table shows Dealing with Licenses data for West Bank and Gaza compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Procedures (number)	Duration (days)	Cost (% of income per capita)
Denmark	6		
Korea		34	
United Arab Emirates			1.5

<i>Selected Economy</i>			
West Bank and Gaza	21	199	726.1

<i>Comparator Economies</i>			
Israel	20	235	115.5
Jordan	18	122	486.1
Lebanon	20	211	229.5
Syria	21	128	258.5
Turkey	25	188	369.9

Employing Workers in West Bank and Gaza: Labor Regulations

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

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

The nonwage labor cost covers all social security payments and payroll taxes associated with hiring an employee, expressed as a percentage of the worker's salary. The firing cost indicator measures the cost of advance notice requirements, severance payments and penalties due when terminating a redundant worker, expressed in weeks of salary.

The indicators on employment regulations are based on a detailed study of employment laws. Data are also gathered on the specific constitutional provisions governing the two areas studied. To ensure accuracy, both the actual laws and the applicable collective bargaining agreements are used. Finally, all data are verified and completed by local law firms through a detailed survey of employment regulations.

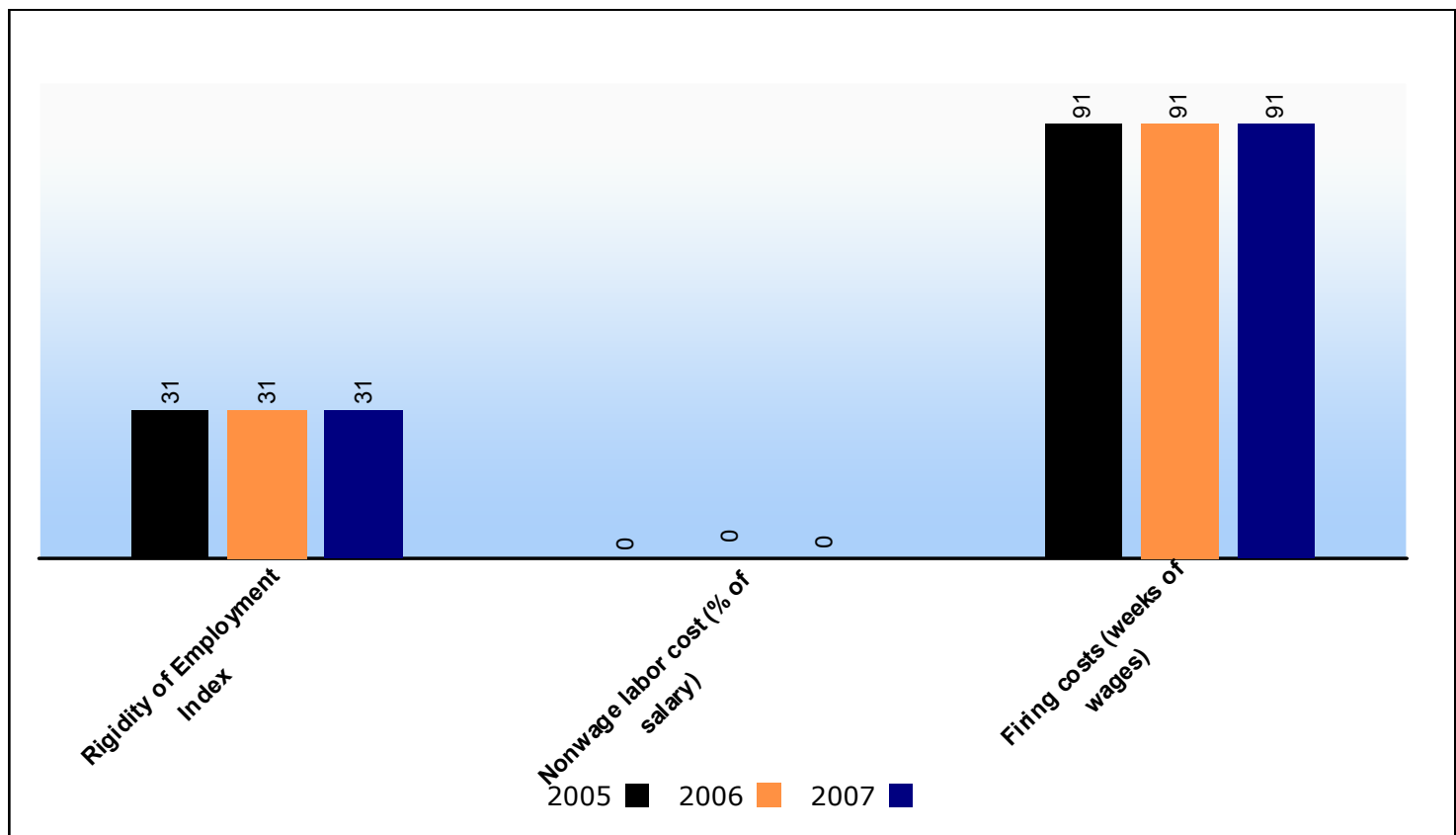
To make the data comparable across economies, a range of assumptions about the worker and the company are used. Assumptions about the worker include that he is a nonexecutive, full-time male employee who has worked in the same company for 20 years and is not a member of the labor union (unless membership is mandatory). The company is assumed to be a limited liability manufacturing corporation that operates in the country's most populous city, is 100% domestically owned and has 201 employees. The company is also assumed to be subject to collective bargaining agreements in countries where such agreements cover more than half the manufacturing sector and apply even to firms not party to them.

Most employment regulations are enacted in response to market failures. But that does not mean that today's regulations are optimal. Analysis across countries shows that while employment regulation generally increases the tenure and wages of incumbent workers, rigid regulations have many undesirable side effects. These include less job creation, smaller company size, less investment in research and development, and longer spells of unemployment and thus the obsolescence of skills—all of which may reduce productivity growth. Many countries err on the side of excessive rigidity, to the detriment of businesses and workers alike.

1. Historical data: Employing Workers in West Bank and Gaza

Employing Workers data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		108	103
Rigidity of Employment Index	31	31	31
Nonwage labor cost (% of salary)	0	0	0
Firing costs (weeks of wages)	91	91	91

2. The following graph illustrates the Employing Workers indicators in West Bank and Gaza over the past 3 years:



3. Benchmarking Employing Workers Regulations:

West Bank and Gaza is ranked 103 overall for Employing Workers. Marshall Islands is the top ranked economy followed by Brunei, Georgia and Tonga.

Ranking of West Bank and Gaza in Employing Workers - Compared to best practice and selected economies:



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

The following table shows Employing Workers data for West Bank and Gaza compared to best practice and comparator economies:

Best Practice Economies	Rigidity of Employment Index	Nonwage labor cost (% of salary)	Firing costs (weeks of wages)
Bangladesh*		0	
Denmark*			0
Hong Kong, China*	0		

Selected Economy			
West Bank and Gaza	31	0	91

Comparator Economies			
Israel	24	6	91
Jordan	30	11	4
Lebanon	25	22	17
Syria	37	17	80
Turkey	42	22	95

* The following economies are also best practice economies for :

Rigidity of Employment Index: Singapore, United States

Nonwage labor cost (% of salary): Botswana, Ethiopia, Maldives

Firing costs (weeks of wages): New Zealand, United States

Registering Property in West Bank and Gaza: Regulation of Property Transfer

Property registries were first developed to help raise tax revenue. Defining and publicizing property rights through registries has also proved to be good for entrepreneurs. Land and buildings account for between half and three-quarters of the wealth in most economies. Securing rights to this property strengthens incentives to invest and facilitates commerce. And with formal property titles, entrepreneurs can obtain mortgages on their home or land and start businesses.

Doing Business measures the ease of registering property based on a standard case of an entrepreneur who wants to purchase land and a building in the largest business city. It is assumed that the property is already registered and free of title dispute. The data cover the full sequence of procedures necessary to transfer the property title from the seller to the buyer. Every required procedure is included, whether it is the responsibility of the seller or the buyer or must be completed by a third party on their behalf.

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

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

A large share of the property in developing countries is not formally registered, limiting financing opportunities for businesses. Recognizing this constraint, some developing country governments have embarked on extensive property titling programs. Yet bringing assets into the formal sector is of little value unless they stay there.

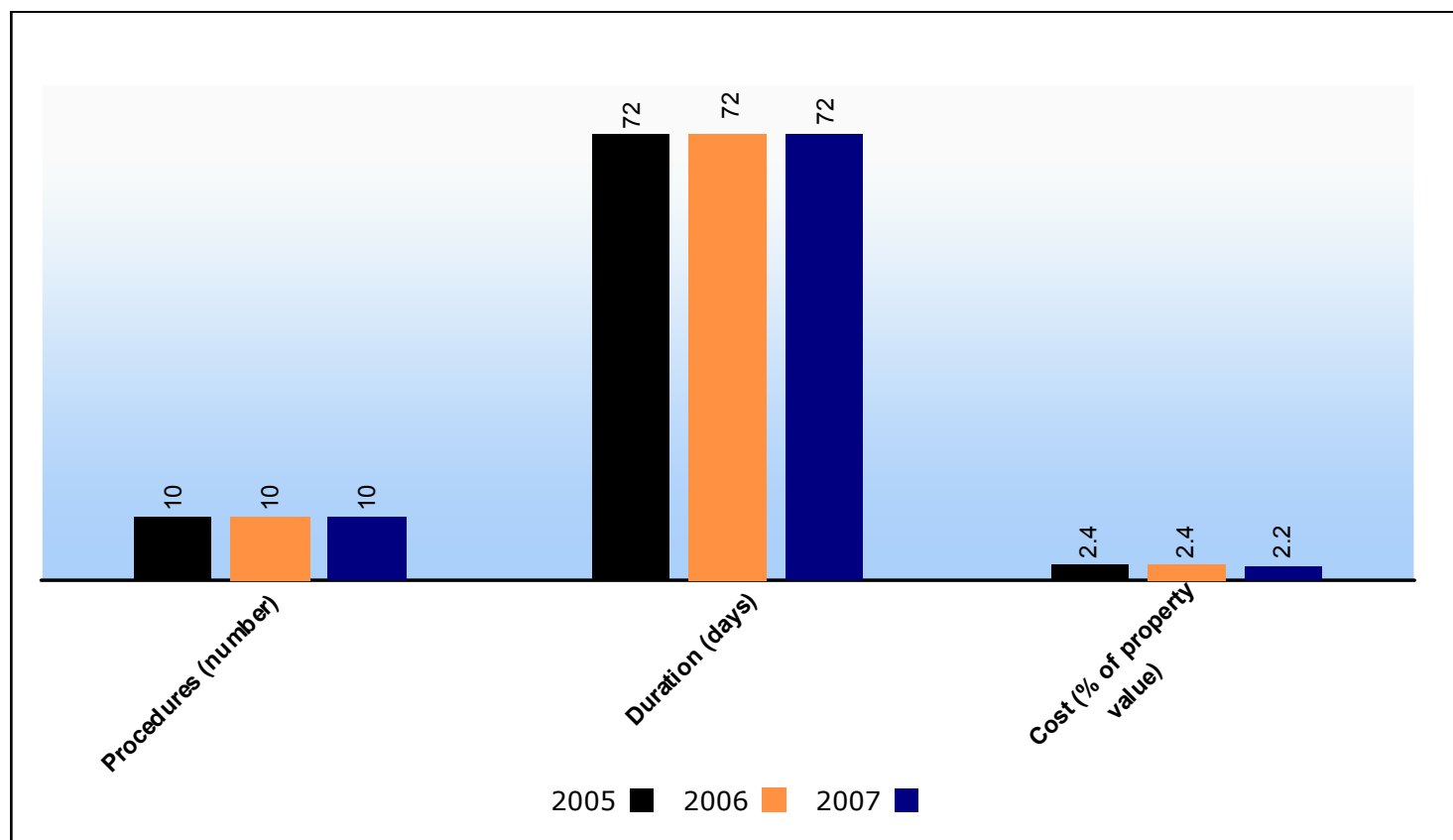
Many titling programs in Africa were futile because people bought and sold property informally—neglecting to update the title records in the property registry. Why? Doing Business shows that completing a simple formal property transfer in the largest business city of an African country costs 12% of the value of the property and takes more than 100 days on average. Worse, the property registries are so poorly organized that they provide little security of ownership. For both reasons, formalized titles quickly go informal again.

Efficient property registration reduces transaction costs and helps keep formal titles from slipping into informal status. Simple procedures to register property are also associated with greater perceived security of property rights and less corruption. That benefits all entrepreneurs, especially women, the young and the poor. The rich have few problems protecting their property rights. They can afford to invest in security systems and other measures to defend their property. But small entrepreneurs cannot. Reform can change this.

1. Historical data: Registering Property in West Bank and Gaza

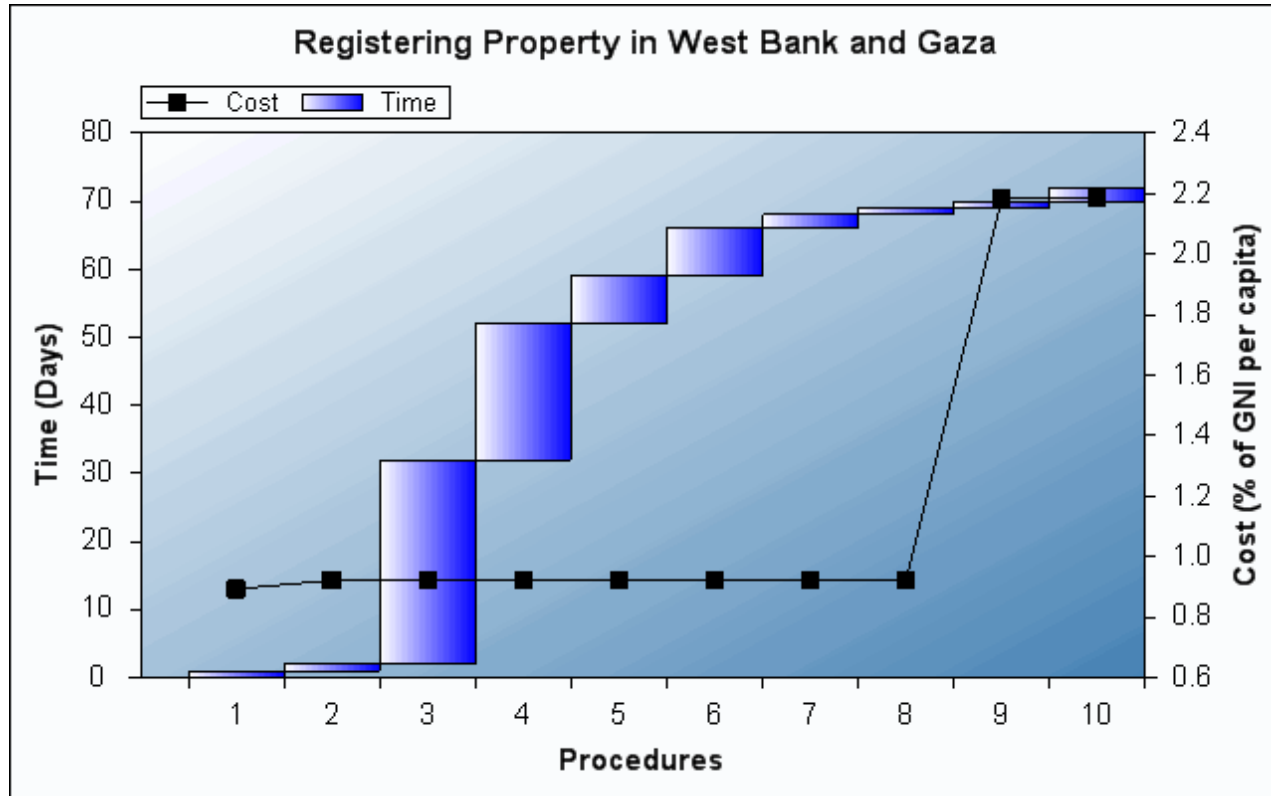
Registering Property data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		120	118
Procedures (number)	10	10	10
Duration (days)	72	72	72
Cost (% of property value)	2.4	2.4	2.2

2. The following graph illustrates the Registering Property indicators in West Bank and Gaza over the past 3 years:



3. Steps to Registering Property in West Bank and Gaza

It requires 10 procedures, takes 72 days, and costs 2.18% GNI per capita to register the property in West Bank and Gaza.



List of Procedures:

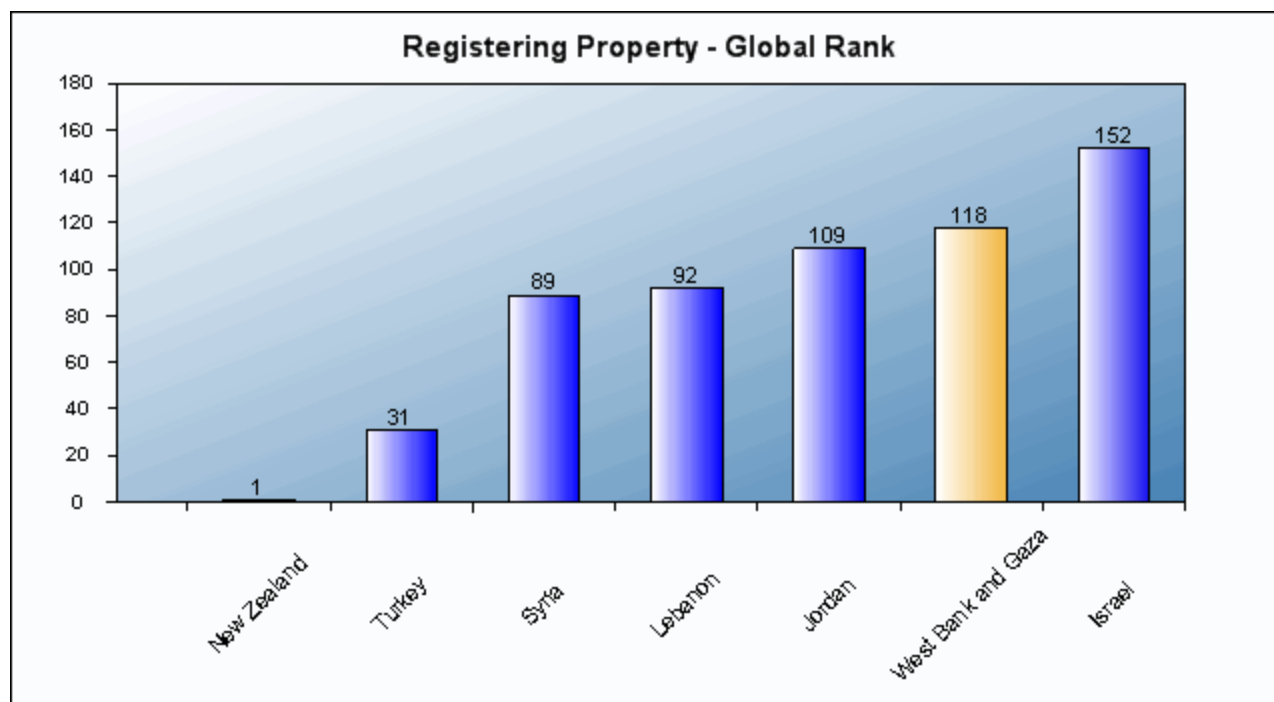
1. Execute powers of attorney at lawyer's office
2. Notarize powers of attorney
3. Open the transaction file at the land registry
4. Land registry valuates property
5. Obtain tax clearance certificate from the Municipality
6. Obtain tax clearance certificate from the Ministry of Finance
7. Submit tax clearance certificates to the land registry
8. Proceed to land registry to sign valuation
9. Pay taxes at commercial bank
10. Bring receipts to land registry and finalize the transaction

More details are available in the appendix.

4. Benchmarking Registering Property Regulations:

West Bank and Gaza is ranked 118 overall for Registering Property. New Zealand is the top ranked economy followed by Armenia, Saudi Arabia and Lithuania.

Ranking of West Bank and Gaza in Registering Property - Compared to best practice and selected economies:



The following table shows Registering Property data for West Bank and Gaza compared to best practice and comparator economies:

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

Selected Economy			
West Bank and Gaza	10	72	2.2

Comparator Economies			
Israel	7	144	7.5
Jordan	8	22	10.0
Lebanon	8	25	5.9
Syria	4	34	28.1
Turkey	6	6	3.1

* The following economies are also best practice economies for :

Procedures (number): **Sweden**

Duration (days): **Sweden, Thailand**

Cost (% of property value): **Bhutan**

Getting Credit in West Bank and Gaza: Legal Rights and Credit Information

Firms consistently rate access to credit as among the greatest barriers to their operation and growth. Doing Business constructs two sets of indicators of how well credit markets function—one on credit registries and the other on legal rights of borrowers and lenders.

Credit registries—institutions that collect and distribute credit information on borrowers—can greatly expand access to credit. By sharing credit information, they help lenders assess risk and allocate credit more efficiently. And they free entrepreneurs from having to rely on personal connections alone when trying to obtain credit. Three indicators are constructed to measure the sharing of credit information:

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

The data are from surveys of public registries and the largest private credit bureau in the country.

Effective regulation of secured lending—through collateral and bankruptcy laws—can also ease credit constraints. By giving a lender the right to seize and sell a borrower's secured assets upon default, collateral limits the lender's potential losses and acts as a screening device for borrowers. The strength of legal rights index measures 10 aspects of the rights of borrowers and creditors in collateral and bankruptcy laws, including whether:

- General rather than specific description of assets and debt is permitted in collateral agreements (expanding the scope of assets and debt covered).
- Any legal or natural person may grant or take security in assets.
- A unified registry operates that includes charges over movable property.
- Secured creditors have priority both within bankruptcy and outside it.
- Parties may agree on out-of-court enforcement of collateral by contract.
- Creditors may both seize and sell collateral out of court, no automatic stay or “asset freeze” applies upon bankruptcy, and the bankrupt debtor does not retain control of the firm.

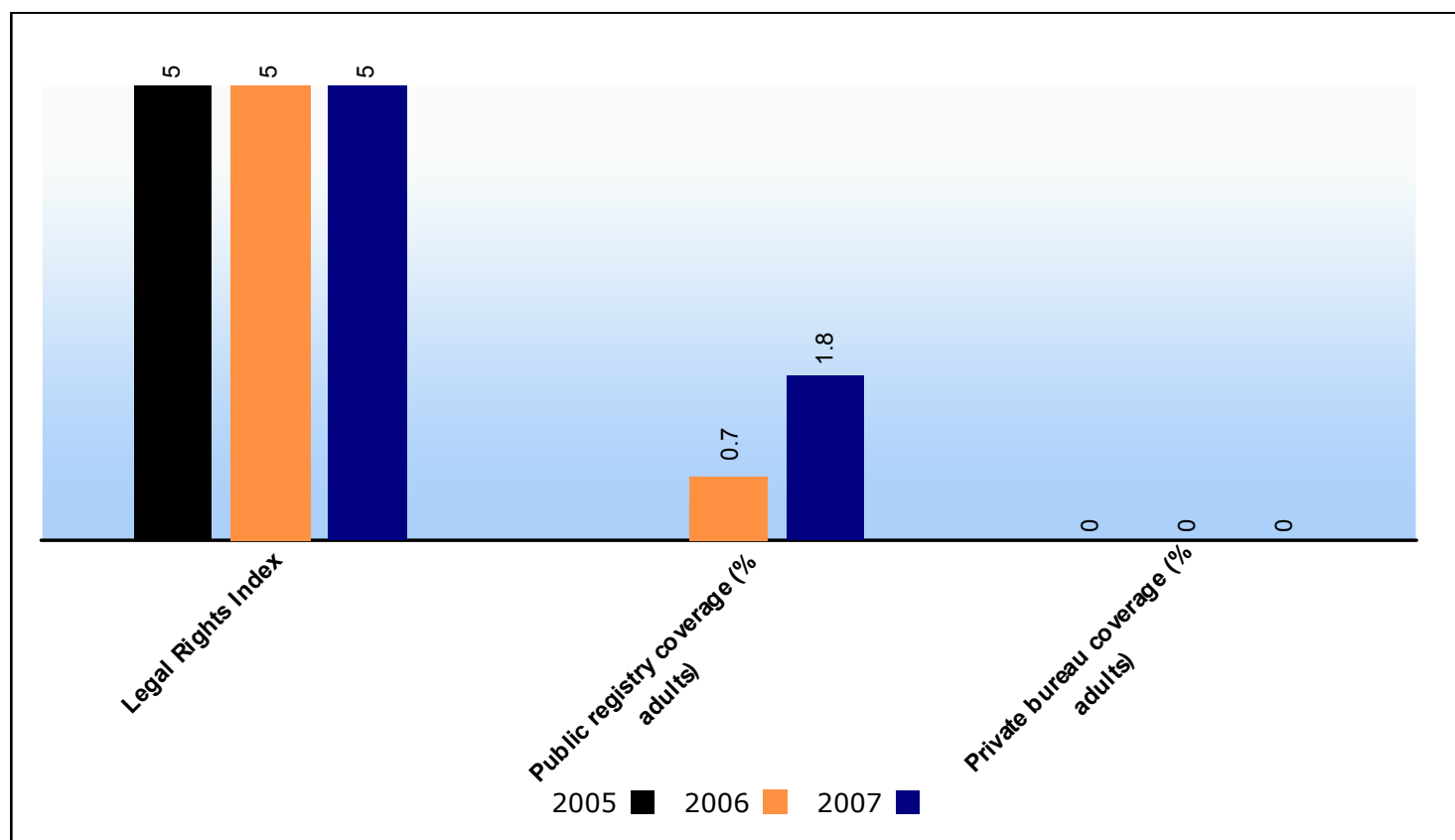
The index ranges from 0 (weak legal rights) to 10 (strong legal rights). The data were obtained by examining collateral and bankruptcy laws and legal summaries and verified through a survey of financial lawyers.

Where good-quality credit information is available and legal rights are stronger, more credit is extended. Benefits flow beyond those gaining access to credit. With better-functioning credit markets, unemployment is lower, and women and low-income people benefit the most.

1. Historical data: Getting Credit in West Bank and Gaza

Getting Credit data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		80	68
Legal Rights Index	5	5	5
Public registry coverage (% adults)	not available	0.7	1.8
Private bureau coverage (% adults)	0.0	0.0	0.0

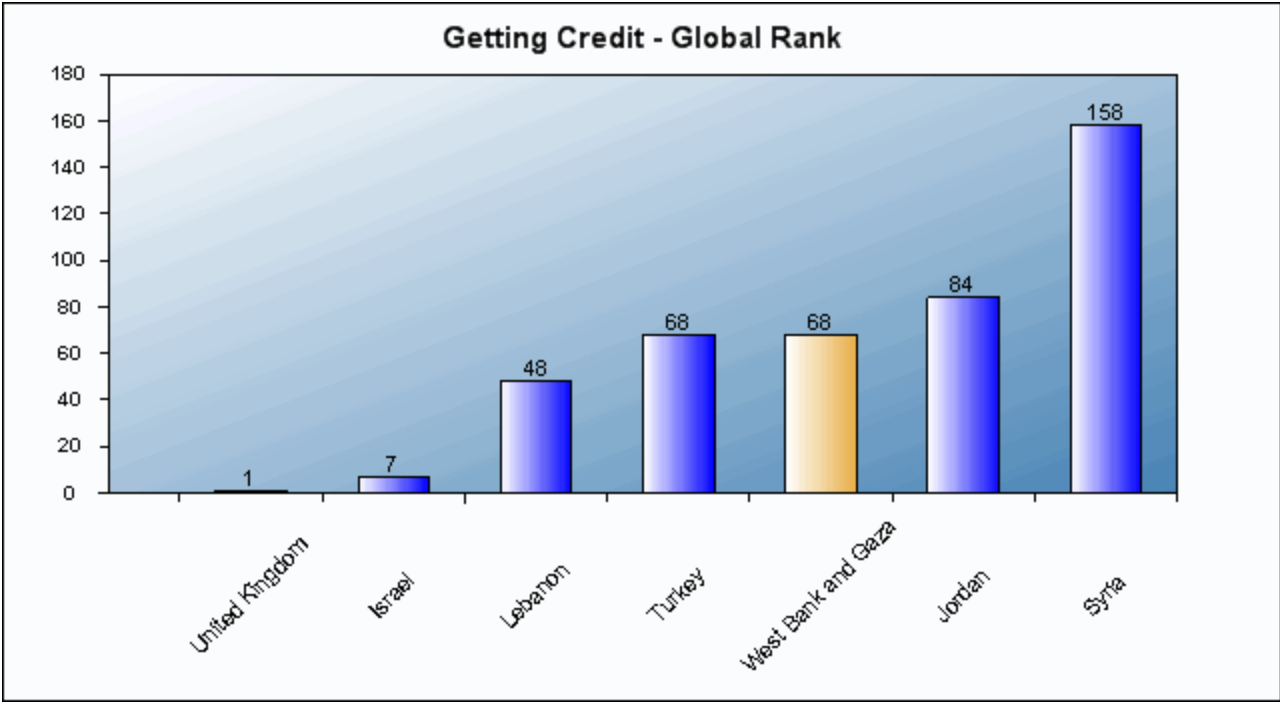
2. The following graph illustrates the Getting Credit indicators in West Bank and Gaza over the past 3 years:



3. Benchmarking Getting Credit Regulations:

West Bank and Gaza is ranked 68 overall for Getting Credit. United Kingdom is the top ranked economy followed by Hong Kong, China, Germany and Australia.

Ranking of West Bank and Gaza in Getting Credit - Compared to best practice and selected economies:



The following table shows Getting Credit data for West Bank and Gaza compared to best practice and comparator economies:

Best Practice Economies	Legal Rights Index	Public registry coverage (%)	Private bureau coverage (%)
Argentina*			100.0
Hong Kong, China*	10		
Portugal		67.1	

Selected Economy			
West Bank and Gaza	5	1.8	0.0

Comparator Economies			
Israel	8	0.0	91.6
Jordan	5	0.8	0.0
Lebanon	4	4.7	0.0
Syria	3	0.0	0.0
Turkey	3	10.3	2.7

* The following economies are also best practice economies for :

Legal Rights Index: United Kingdom

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

Protecting Investors in West Bank and Gaza

Officials at Elf Aquitaine, France's largest oil company, awarded business deals in return for large side payments. Along with the extra cash, they got seven years in jail and a €2 million fine for abuse of power. Russian oil firm Gazprom purchased materials for new pipelines through intermediaries owned by company officers. The high cost raised eyebrows, but not court battles.

Big cases make headlines. But looting by corporate insiders occurs every day on a smaller scale, and often goes unnoticed. To document the protections investors have, Doing Business measures how countries regulate a standard case of self-dealing—use of corporate assets for personal gain.

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

Several questions arise. Who approves the transaction? What information must be disclosed? What company documents can investors access? What do minority shareholders have to prove to get the transaction stopped or to receive compensation from Mr. James? Three indices of investor protection are constructed based on the answers to these and other questions. All indices range from 0 to 10, with higher values indicating more protections or greater disclosure.

The extent of disclosure index covers approval procedures, requirements for immediate disclosure to the public and shareholders of proposed transactions, requirements for disclosure in periodic filings and reports and the availability of external review of transactions before they take place.

The extent of director liability index covers the ability of investors to hold Mr. James and the board of directors liable for damages, the ability to rescind the transaction, the availability of fines and jail time associated with self-dealing, the availability of direct or derivative suits and the ability to require Mr. James to pay back his personal profits from the transaction.

The ease of shareholder suits index covers the availability of documents that can be used during trial, the ability of the investor to examine the defendant and other witnesses, shareholders' access to internal documents of the company, the appointment of an inspector to investigate the transaction and the standard of proof applicable to a civil suit against the directors.

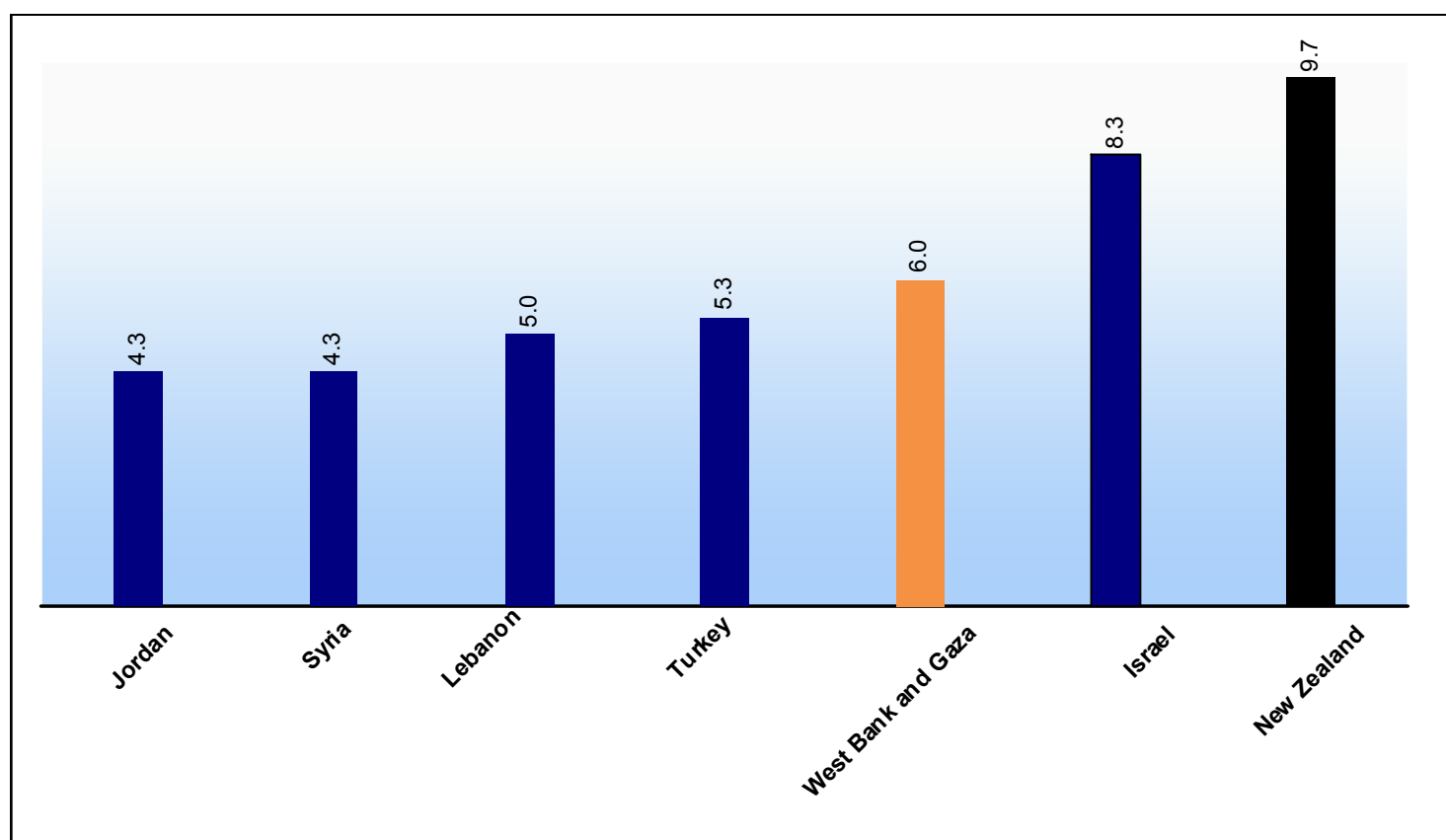
These three indices are averaged to create the strength of investor protection index. This index ranges from 0 to 10, with higher values indicating better investor protection.

If the rights of investors are not protected, majority ownership in a business is the only way to eliminate expropriation. But then investors must devote more oversight attention to fewer investments. The result: entrepreneurship is suppressed, and fewer profitable investment projects are undertaken. Where self-dealing is curbed, equity investment is higher, ownership concentration lower and trust in the business sector deeper. Investors gain portfolio diversification, and entrepreneurs gain access to cash.

1. Historical data: Protecting Investors in West Bank and Gaza

Protecting Investors data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		32	33
Investor Protection Index	6.0	6.0	6.0

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

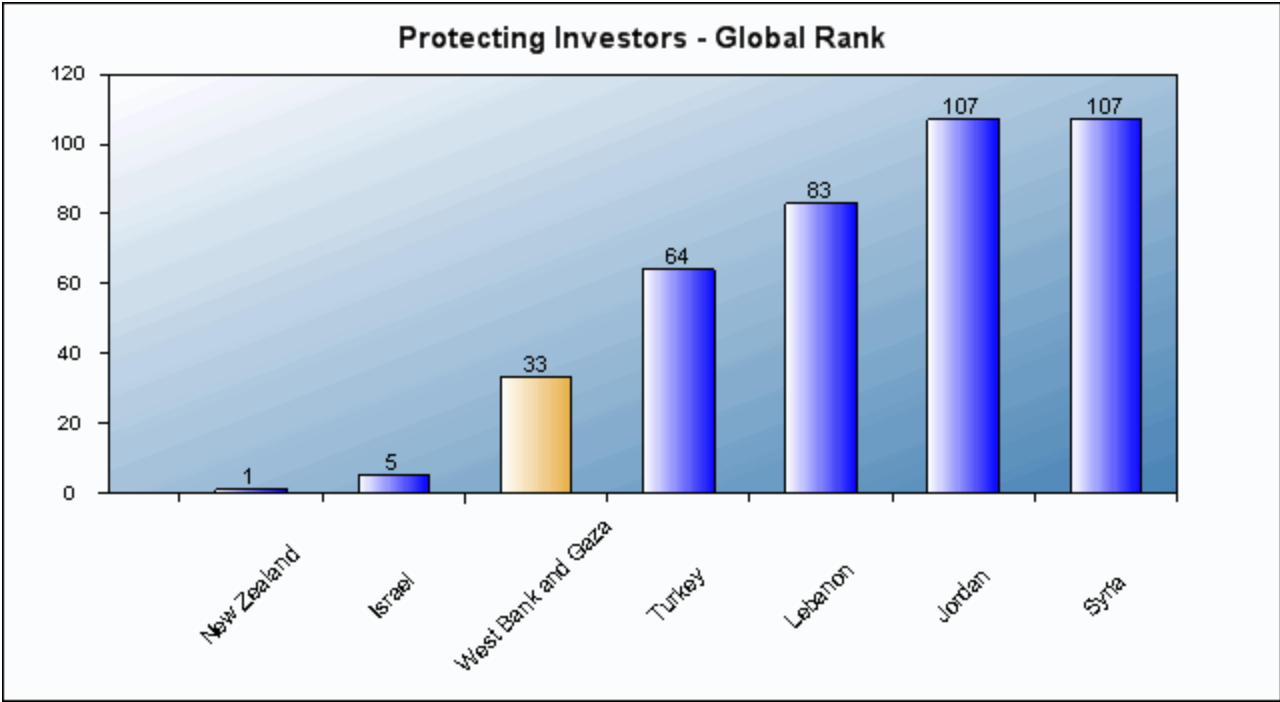


Note: The higher the score, the greater the investor protection.

3. Benchmarking Protecting Investors Regulations:

West Bank and Gaza is ranked 33 overall for Protecting Investors. New Zealand is the top ranked economy followed by Singapore, Hong Kong, China and Malaysia.

Ranking of West Bank and Gaza in Protecting Investors - Compared to best practice and selected economies:



The following table shows Protecting Investors data for West Bank and Gaza compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Investor Protection Index
New Zealand	9.7

<i>Selected Economy</i>	
West Bank and Gaza	6.0

<i>Comparator Economies</i>	
Israel	8.3
Jordan	4.3
Lebanon	5.0
Syria	4.3
Turkey	5.3

Paying Taxes: Tax Payable and Compliance in West Bank and Gaza

Taxes are essential. Without them there would be no money to fund schools, hospitals, courts, roads, water, waste collection and other public services that help businesses to be more productive. Still, there are good ways and bad ways to collect taxes.

The Doing Business tax survey records the effective tax that a company must pay and the administrative costs of doing so. Imagine a medium-size business, TaxpayerCo, that started operations last year. Doing Business asked accountants in 178 economies to review TaxpayerCo's financial statements and a standard list of transactions the company completed during the year. Respondents were asked how much tax the business must pay and what the process is for doing so.

The business starts from the same financial position in each country. All the taxes and contributions paid during the second year of operation are recorded. Taxes and contributions are measured at all levels of government and include corporate income tax, turnover tax, all labor contributions paid by the company (including mandatory contributions paid to private pension or insurance funds), property tax, property transfer tax, dividend tax, capital gains tax, financial transactions tax, vehicle tax and other small taxes (such as fuel tax, stamp duty and local taxes). A range of standard deductions and exemptions are also recorded.

Three indicators are constructed:

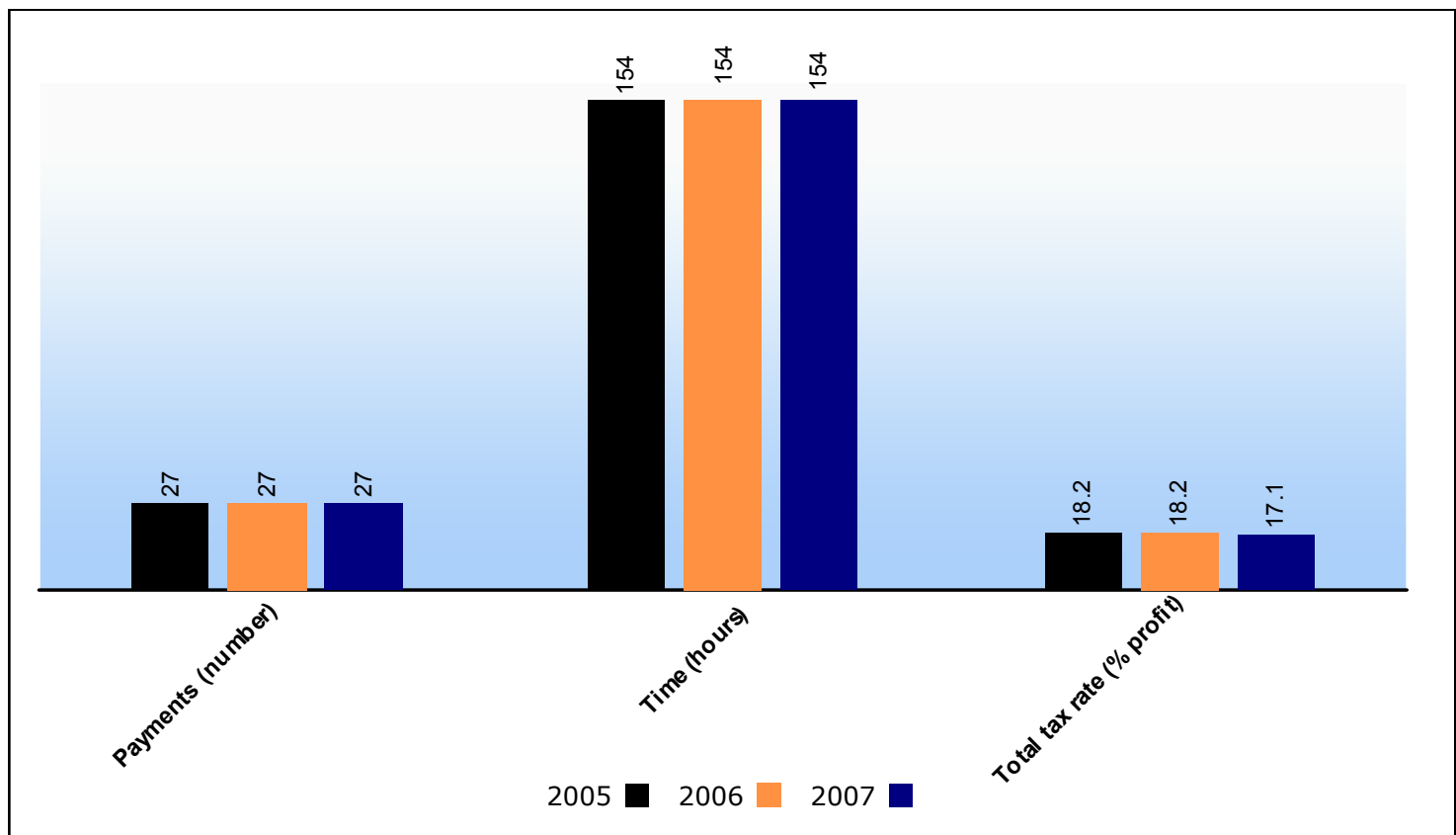
- Number of tax payments, which takes into account the method of payment or withholding, the frequency of payment or withholding and the number of agencies involved for the standard case.
- Time, which measures the hours per year necessary to prepare, file and pay the corporate income tax, value added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

Businesses care about what they get for their taxes and contributions, such as the quality of infrastructure and social services. Poor countries tend to use businesses as a collection point for taxes. Rich countries tend to have lower tax rates and less complex tax systems. And rich countries get more from their taxes. Simple, moderate taxes and fast, cheap administration mean less hassle for businesses—and also more revenue collected and better public services. More burdensome tax regimes create an incentive to evade taxes.

1. Historical data: Paying Taxes in West Bank and Gaza

Paying Taxes data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		23	22
Time (hours)	154	154	154
Total tax rate (% profit)	18.2	18.2	17.1
Payments (number)	27	27	27

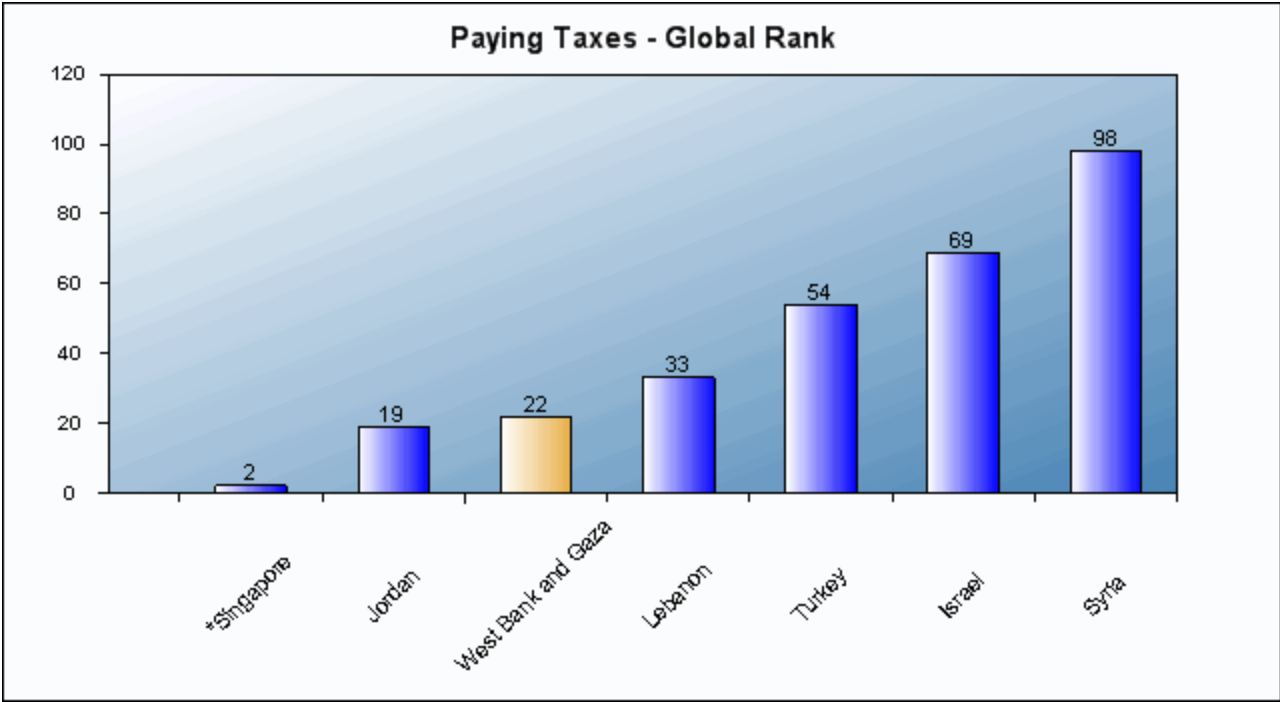
2. The following graph illustrates the Paying Taxes indicators in West Bank and Gaza over the past 3 years:



3. Benchmarking Paying Taxes Regulations:

West Bank and Gaza is ranked 22 overall for Paying Taxes. Maldives is the top ranked economy followed by Singapore, Hong Kong, China and United Arab Emirates.

Ranking of West Bank and Gaza in Paying Taxes - Compared to best practice and selected economies:



* The following economies are also best practice economies for Paying Taxes: Maldives

The following table shows Paying Taxes data for West Bank and Gaza compared to best practice and comparator economies:

Best Practice Economies	Payments (number)	Time (hours)	Total tax rate (% profit)
Sweden*	2		
United Arab Emirates*		12	
Vanuatu			8.4

Selected Economy			
West Bank and Gaza	27	154	17.1

Comparator Economies			
Israel	33	230	36.0
Jordan	26	101	31.1
Lebanon	19	180	35.4
Syria	21	336	46.7
Turkey	15	223	45.1

* The following economies are also best practice economies for :

Payments (number): **Maldives**

Time (hours): **Maldives**

Trading Across Borders: Importing and Exporting from West Bank and Gaza

The benefits of trade are well documented—as are the obstacles to trade. Tariffs, quotas and distance from large markets greatly increase the cost of goods or prevent trading altogether. But with faster ships and bigger planes, the world is shrinking. Global and regional agreements have brought down trade barriers. Yet Africa's share of global trade is smaller today than it was 25 years ago. So is the Middle East's, excluding oil exports. The reason is simple: many entrepreneurs face numerous hurdles to exporting or importing goods. They often give up. Others never try.

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

To make the data comparable across countries, several assumptions about the business and the traded goods are used. The business is of medium size, with 100 or more employees, and is located in the periurban area of the country's most populous city. It is a private, limited liability company, domestically owned, formally registered and operating under commercial laws and regulations of the country. The traded goods are ordinary, legally manufactured products, and they travel in a dry-cargo, 20-foot FCL (full container load) container.

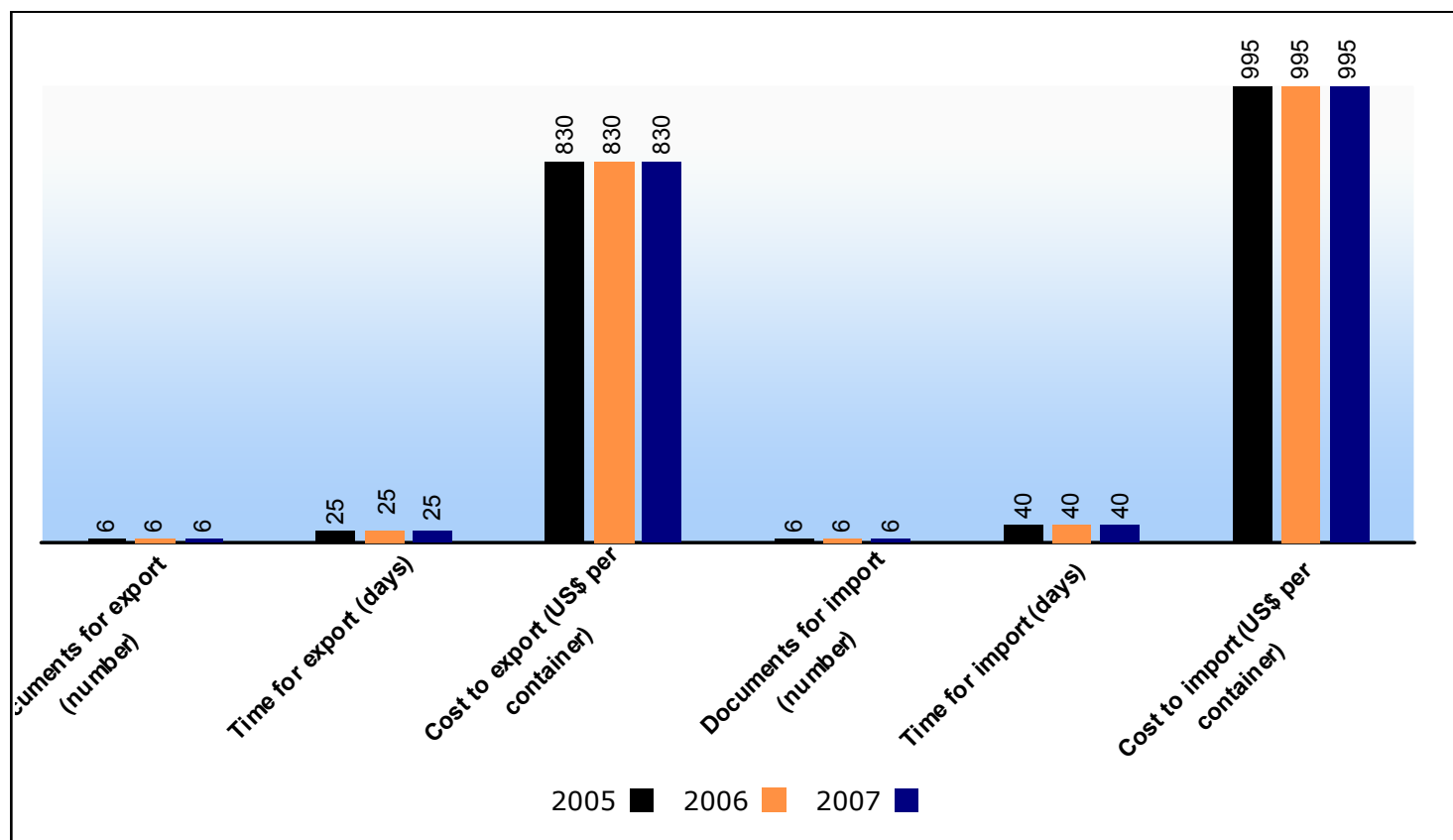
Documents recorded include port filing documents, customs declaration and clearance documents, and official documents exchanged between the concerned parties. Time is recorded in calendar days, from start to finish of each procedure. Cost measures the fees levied on a 20-foot container in U.S. dollars.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

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

1. Historical data: Trading Across Borders in West Bank and Gaza

Trading Across Borders data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		68	77
Documents for export (number)	6	6	6
Time for export (days)	25	25	25
Cost to export (US\$ per container)	830	830	830
Documents for import (number)	6	6	6
Time for import (days)	40	40	40
Cost to import (US\$ per container)	995	995	995

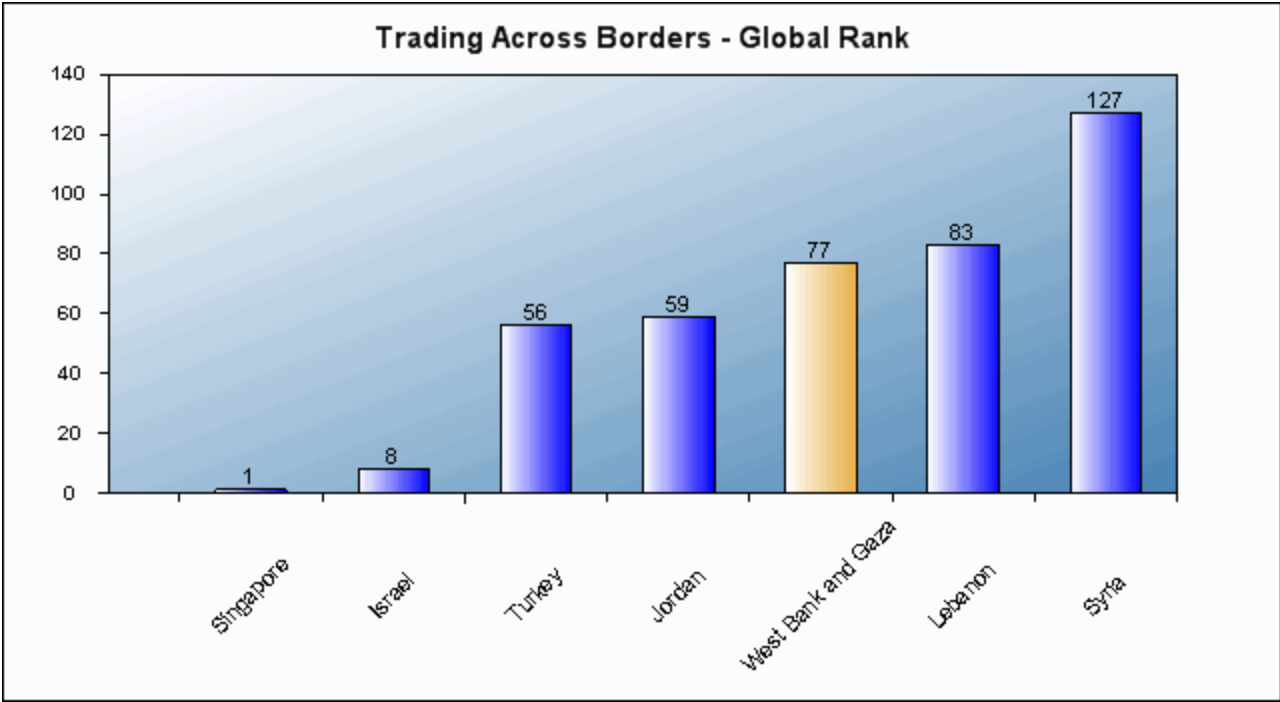
2. The following graph illustrates the Trading Across Borders indicators in West Bank and Gaza over the past 3 years:



3. Benchmarking Trading Across Borders Regulations:

West Bank and Gaza is ranked 77 overall for Trading Across Borders. Singapore is the top ranked economy followed by Denmark, Hong Kong, China and Norway.

Ranking of West Bank and Gaza in Trading Across Borders - Compared to best practice and selected economies:



The following table shows Trading Across Borders data for West Bank and Gaza compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Documents for export (number)	Time for export (days)	Cost to export (US\$ per	Documents for import (number)	Time for import (days)	Cost to import (US\$ per
Canada*	3					
China			390			
Denmark*		5		3		
Singapore					3	367

<i>Selected Economy</i>						
West Bank and Gaza	6	25	830	6	40	995

<i>Comparator Economies</i>						
Israel	5	12	560	4	12	560
Jordan	7	19	680	7	22	1065
Lebanon	5	27	1027	7	38	810
Syria	8	19	1300	9	23	1900
Turkey	7	14	865	8	15	1013

* The following economies are also best practice economies for :

Documents for export (number): **Estonia, Micronesia, Panama**

Time for export (days): **Estonia, Singapore**

Documents for import (number): **Sweden**

Enforcing Contracts: Court Efficiency in West Bank and Gaza

Where contract enforcement is efficient, businesses are more likely to engage with new borrowers or customers. Doing Business tracks the efficiency of the judicial system in resolving a commercial dispute, following the step-by-step evolution of a commercial sale dispute before local courts. The data are collected through study of the codes of civil procedure and other court regulations as well as surveys completed by local litigation lawyers (and, in a quarter of the countries, by judges as well).

The dispute, between two businesses (the Seller and the Buyer) located in the country's most populous city, concerns a contract for the sale of goods. The Seller agrees to deliver the goods, worth 200% of the country's income per capita, to the Buyer.

After receiving and inspecting the goods, the Buyer concludes that their quality is inadequate. The Buyer sends the goods back without paying for them. The Seller disagrees and argues that their quality is adequate. The Seller seeks full payment from the Buyer, arguing that the goods cannot be sold to a third party because they were custom-made for the Buyer. The Seller sues the Buyer before the court in the most populous city to recover the amount due under the sales agreement (200% of the country's income per capita).

Three indicators of the efficiency of commercial contract enforcement are developed:

- Number of procedures, which includes all those that demand interaction between the parties or between them and the judge or court officer.
- Time, which counts the number of days from the moment the plaintiff files the lawsuit in court until the moment of payment. This measure includes both the days on which actions take place and the waiting periods between actions.
- Cost, which measures the official cost of going through court procedures, expressed as a percentage of the claim (assumed to be equivalent to 200% of income per capita). The cost includes court costs, enforcement costs and attorney fees where the use of attorneys is mandatory or common.

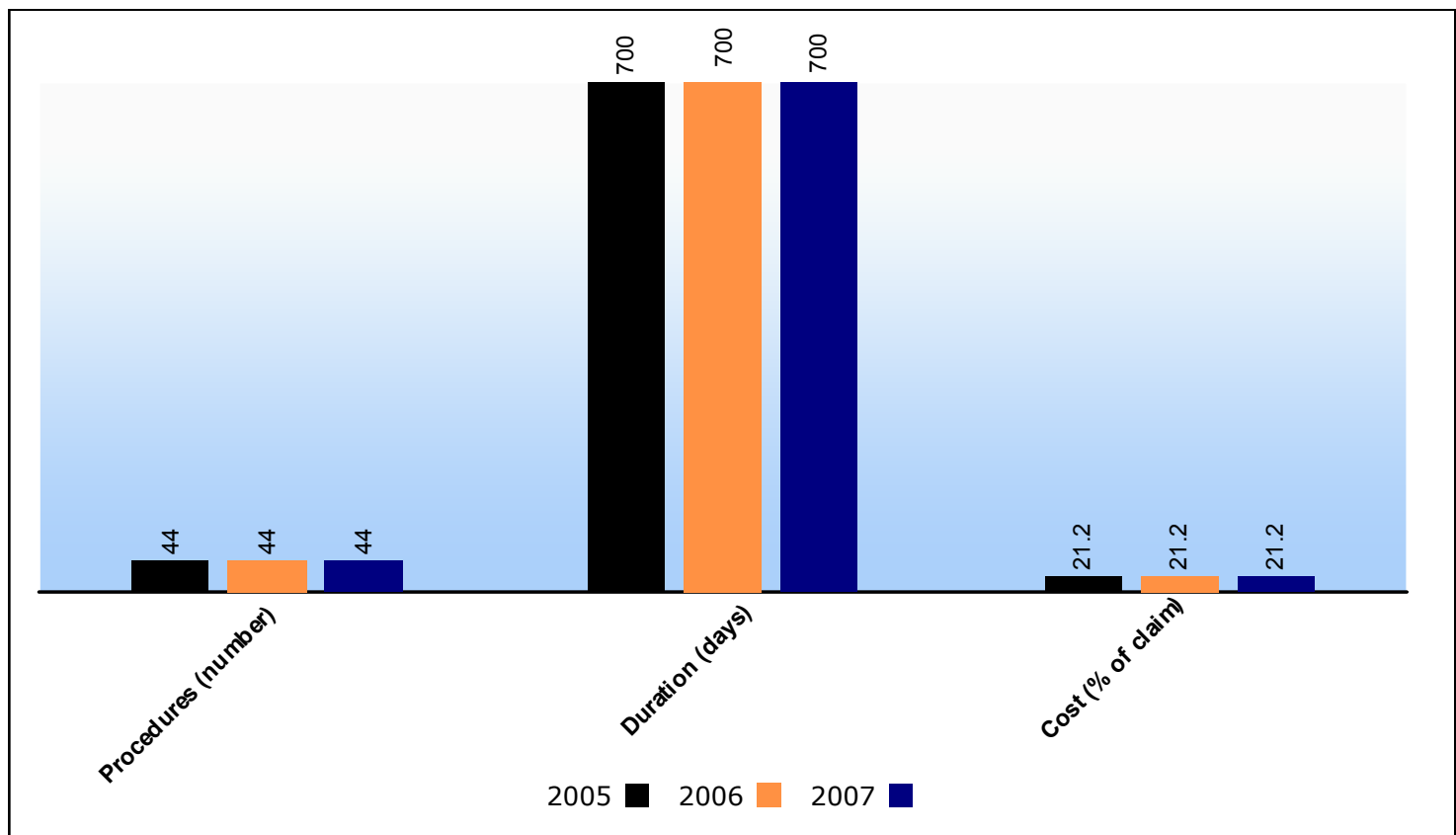
Businesses that have little or no access to efficient courts must rely on other mechanisms, both formal and informal—such as trade associations, social networks, credit bureaus or private information channels—to decide whom to do business with and under what conditions. Or they might adopt a conservative approach to business, dealing only with a small group of people linked through kinship, ethnic origin or previous dealings and structuring transactions to forestall disputes. In either case economic and social value may be lost.

The main reason to regulate procedures in commercial dispute resolution is that informal justice is vulnerable to subversion by the rich and powerful. But heavy regulation of dispute resolution backfires. Across countries, the more procedures it takes to enforce a contract, the longer the delays and the higher the cost. The result: less wealth is created.

1. Historical data: Enforcing Contracts in West Bank and Gaza

Enforcing Contracts data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		124	125
Procedures (number)	44	44	44
Duration (days)	700	700	700
Cost (% of claim)	21.2	21.2	21.2

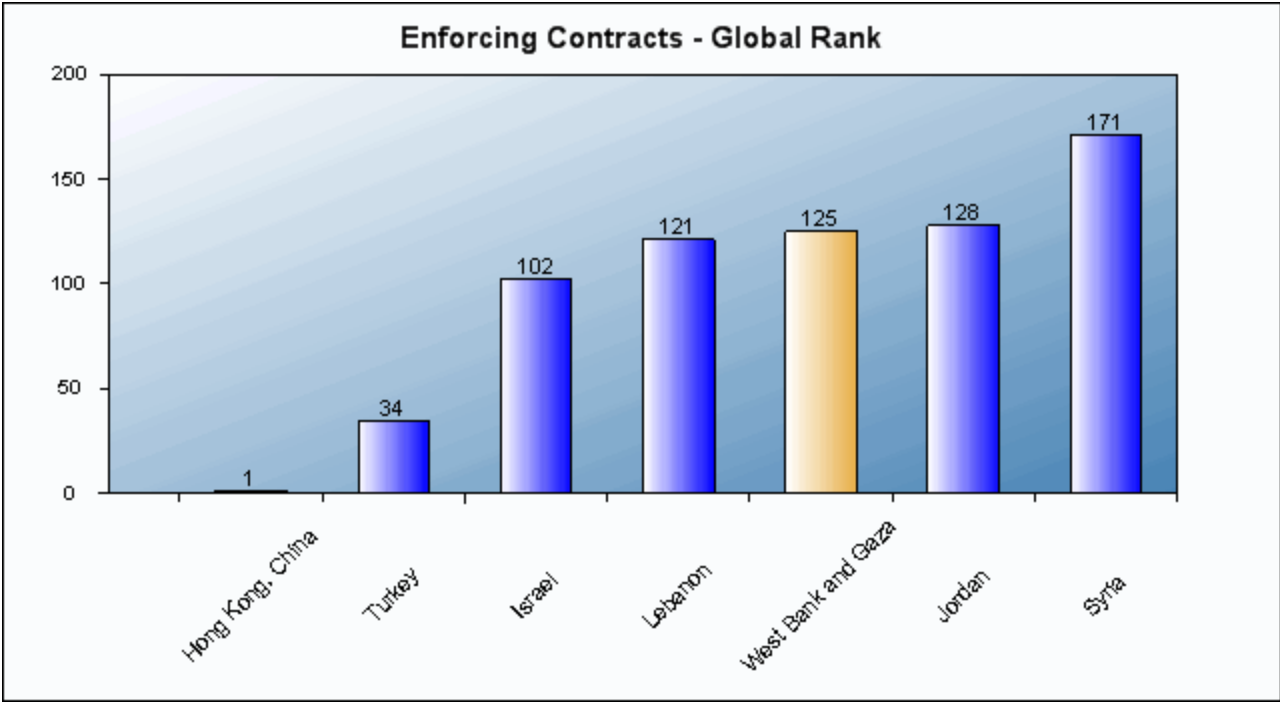
2. The following graph illustrates the Enforcing Contracts indicators in West Bank and Gaza over the past 3 years:



3. Benchmarking Enforcing Contracts Regulations:

West Bank and Gaza is ranked 125 overall for Enforcing Contracts. Hong Kong, China is the top ranked economy followed by Luxembourg, Latvia and Singapore.

Ranking of West Bank and Gaza in Enforcing Contracts - Compared to best practice and selected economies:



The following table shows Enforcing Contracts data for West Bank and Gaza compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Procedures (number)	Duration (days)	Cost (% of claim)
Bhutan			0.1
Ireland	20		
Singapore		120	

<i>Selected Economy</i>			
West Bank and Gaza	44	700	21.2

<i>Comparator Economies</i>			
Israel	35	890	25.3
Jordan	39	689	31.2
Lebanon	37	721	30.8
Syria	55	872	29.3
Turkey	36	420	18.8

Closing Business in West Bank and Gaza: Bankruptcy

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

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

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

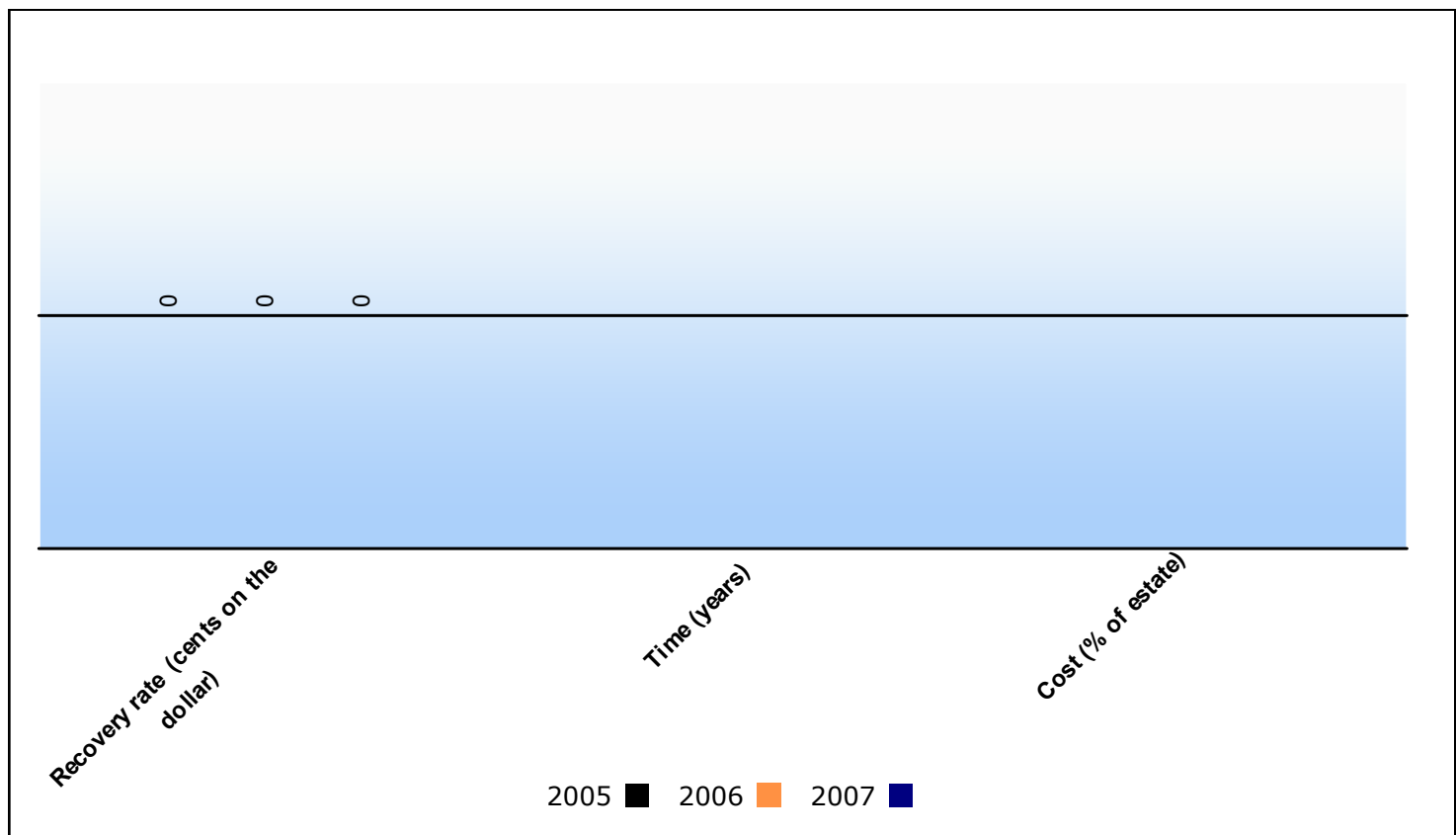
Three measures are constructed from the survey responses: the time to go through the insolvency process, the cost to go through the process and the recovery rate—how much of the insolvency estate is recovered by stakeholders, taking into account the time, cost, depreciation of assets and the outcome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

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

1. Historical data: Closing Business in West Bank and Gaza

Closing a Business data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		178	178
Time (years)	no practice	no practice	no practice
Cost (% of estate)	no practice	no practice	no practice
Recovery rate (cents on the dollar)	0	0	0.0

2. The following graph illustrates the Closing Business indicators in West Bank and Gaza over the past 3 years:



3. Benchmarking Closing Business Regulations:

West Bank and Gaza is ranked 178 overall for Closing a Business. Japan is the top ranked economy followed by Singapore, Norway and Canada.

Ranking of West Bank and Gaza in Closing Business - Compared to best practice and selected economies:



The following table shows Closing Business data for West Bank and Gaza compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Recovery rate (cents on the	Time (years)	Cost (% of estate)
Colombia			1
Ireland		0.4	
Japan	92.6		

<i>Selected Economy</i>			
West Bank and Gaza	0.0	no practice	no practice

<i>Comparator Economies</i>			
Israel	43.6	4.0	23
Jordan	27.8	4.3	9
Lebanon	19.1	4.0	22
Syria	30.8	4.1	9
Turkey	20.3	3.3	15

Starting a Business in West Bank and Gaza

This table summarizes the procedures and costs associated with setting up a business in West Bank and Gaza.

STANDARDIZED COMPANY

Legal Form: Private Limited Liability Company

Minimum Capital Requirement: ILS 3,166

City: Ramallah

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Search for company name and reserve proposed name	3 days	ILS 87
2	Obtain temporary copy of certificate of registration from Ministry	2 days	USD 44
3	Local lawyer signs company documents	1-3 days	USD 500-700
4	Register with Companies Registry	30-40 days	see comments
5 *	Deposit initial capital	1 day (simultaneous with previous procedure)	see comments
6 *	Payment of registration fee	2 days (simultaneous with proc 5)	no charge
7	Register for income and VAT tax	7 days	no charge
8	Register with Chamber of Commerce	14-21 days	USD 175
9	Obtain approval from fire department	1-3 days	18 USD per square meter
10	Obtain approval from health authorities	1-2 days	no charge
11	Obtain business license from municipality	7-14 days	USD 100-500
12	Obtain and legalize special company books	7-14 days	30 USD per transaction

* Takes place simultaneously with another procedure.

Procedure 1	Search for company name and reserve proposed name
Time to complete:	3 days
Cost to complete:	ILS 87
Comment:	
Procedure 2	Obtain temporary copy of certificate of registration from Ministry
Time to complete:	2 days
Cost to complete:	USD 44
Comment:	Before depositing the initial capital in the bank account, the company founder must obtain from the Ministry of National Economy a temporary registration copy designed for "bank account opening purposes only." The bank keeps the original and gives the company a copy to set up a bank account and to ensure that a certain amount of the capital is deposited in the bank. The fee for certificate of registration is USD 44.
Procedure 3	Local lawyer signs company documents
Time to complete:	1-3 days
Cost to complete:	USD 500-700
Comment:	<p>While hiring a lawyer for drafting the articles is recommended, doing so for signing the documents is required. Fees are charged on a lump-sum basis, ranging from USD 200 to USD 3,000.</p> <p>The cost and time depend on the complexity desired, on the nature of the company and its legal form (partnership or corporation), and on the structure of the board, voting powers, control issues, and the like. However, standard boilerplate incorporation documents, as well as tailored ones (bylaws and articles), may be used.</p>
Procedure 4	Register with Companies Registry
Time to complete:	30-40 days
Cost to complete:	see comments
Comment:	<p>The following documents are required to register with the Companies Registry,:</p> <ul style="list-style-type: none"> - Articles of association. - Company bylaws. - Shareholders identification card (copies). - Verified company name. <p>Fee schedule for company registration:</p> <ul style="list-style-type: none"> - Company name verification: ILS 87 (included in Procedure 2). - Application: ILS 285. - Signature verification: USD 20 per signature (minimum number of required signatures is two to form a private limited company or seven to form a public limited company). Note that signing must occur before the Company Registrar - Initial deposit of 1/1,000 of the stated capital. <p>There are two separate types of fees, one that varies with the number of shareholders and another that is a percentage of the stated capital.</p>
Procedure 5	Deposit initial capital

Time to complete:	1 day (simultaneous with previous procedure)
Cost to complete:	see comments
Comment:	The founders must deposit 25% of the initial capital plus the official bank fees (1/1,000 of stated capital). Upon payment, a receipt is obtained and supplied back to the Ministry. The Companies Registry gives the company its identification number and preliminary approval, which is required to open the bank account. The company then obtains this receipt and brings it to the Companies Registry to obtain the final approval.

Procedure 6 Payment of registration fee

Time to complete:	2 days (simultaneous with proc 5)
Cost to complete:	no charge
Comment:	Registration fees must be paid at a local bank upon submission of the registration documents. The Ministry will not review the application until the fee is paid.

Procedure 7 Register for income and VAT tax

Time to complete:	7 days
Cost to complete:	no charge
Comment:	The registration numbers for VAT and income tax are the same. In most cases, accountants register the company for these taxes. There are no official fees, and accountant fees start at about USD 400 per year.

Procedure 8 Register with Chamber of Commerce

Time to complete:	14-21 days
Cost to complete:	USD 175
Comment:	<p>The fee to register with the Chamber of Commerce depends on the company's capital and on the nature of business. The minimum fee is USD 100 (annual fee for a company whose capital ranges from USD 20,000 to USD 65,000). For companies whose capital is above USD 65,000, the annual fee is USD 135.</p> <p>Fee schedule to register company (based on registered capital):</p> <ul style="list-style-type: none"> - Grade A, registered capital over USD 65,000: Initial fee of USD 230 plus an annual fee of USD 135. - Grade B, registered capital between USD 20,000 and USD 50,000: Initial fee of USD 175 and annual fee of USD 100.

Procedure 9 Obtain approval from fire department

Time to complete:	1-3 days
Cost to complete:	18 USD per square meter
Comment:	

Procedure 10 Obtain approval from health authorities

Time to complete:	1-2 days
Cost to complete:	no charge
Comment:	

Procedure 11	Obtain business license from municipality
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Time to complete: 7-14 days

Cost to complete: USD 100-500

Comment:

Procedure 12	Obtain and legalize special company books
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Time to complete: 7-14 days

Cost to complete: 30 USD per transaction

Comment: All corporate and financial records must be legalized by the company controller and auditors. Although this applies to all forms of companies, supervision is more stringent for public shareholding companies than for limited liability companies or partnerships.

Dealing with Licenses in West Bank and Gaza

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

BUILDING A WAREHOUSE

Date as of: January 2, 007

Estimated Warehouse Value:

City: Ramallah

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain ownership title	5 days	no charge
2	Obtain survey map	10 days	ILS 2,839
3	Make soil test	14 days	ILS 7,861
4	Hire independent syndicate engineer to review building plans and approve them for submission	21 days	ILS 13,006
5	Submit building permit application	1 day	ILS 480
6 *	Obtain building permit from the municipality	7 days	no charge
7 *	Obtain civil defense permit	14 days	ILS 1,201
8 *	Receive site inspection and approval from the Ministry of Tourism and Antiquities	14 days	no charge
9	Obtain environmental permit	75 days	ILS 6,503
10	Receive foundation inspection	1 day	no charge
11	Receive concrete slab inspection	1 day	no charge
12 *	Request and receive final inspection	1 day	no charge
13	Obtain letters of completion from the municipality	14 days	no charge
14	Bring municipal letters of approval to water and sewage company (GEKA) and make appointment for inspection	1 day	no charge
15	Bring municipal letters of approval to the electricity company and make appointment for inspection	1 day	no charge
16	Obtain water and sewage inspection	1 day	no charge

17 *	Obtain electricity inspection	1 day	no charge
18 *	Obtain water and sewage connection	3 days	ILS 3,500
19 *	Obtain power connection	35 days	ILS 780
20 *	Receive electricity inspection of the inside of the building	1 day	no charge
21 *	Obtain phone connection	1 day	ILS 345

* Takes place simultaneously with another procedure.

Procedure	1	Obtain ownership title
Time to complete:	5 days	
Cost to complete:	no charge	
Comment:	The property title must be less than a year old.	
Procedure	2	Obtain survey map
Time to complete:	10 days	
Cost to complete:	ILS 2,839	
Comment:	The survey map is usually at a scale of 1:500 or 1:250 and shows, in addition to the boundaries, the levels and/ or contour lines, the site, and the surroundings, including sewerage, electricity, telephone, and water connections.	
Procedure	3	Make soil test
Time to complete:	14 days	
Cost to complete:	ILS 7,861	
Comment:	<p>A law requiring a soil exam went into effect in 2001, but because of the economic situation, some companies do not comply with it. However, since January 2005, the Engineers Syndicate stopped approving any plan without the soil test for projects exceeding 200 sq. m. A minimum of 3 boreholes must be made on the proposed site.</p> <p>If the building is an extension above an existing building, a report about the state of the existing building must be submitted.</p>	
Procedure	4	Hire independent syndicate engineer to review building plans and approve them for submission
Time to complete:	21 days	
Cost to complete:	ILS 13,006	
Comment:	As required by the Engineers' Syndicate, BuildCo must hire an outside engineer to submit the plans. Drawings are checked in Ramallah, but a jury from outside the city will check the plans. The cost includes the Engineers Syndicate fees.	
Procedure	5	Submit building permit application
Time to complete:	1 day	
Cost to complete:	ILS 480	
Comment:		
Procedure	6	Obtain building permit from the municipality
Time to complete:	7 days	
Cost to complete:	no charge	

Comment:	<p>To obtain a building permit from the municipality, BuildCo must submit the following documents in five copies, one copy each for the consulting office, the municipality, the Ministry of Tourism and Antiquities, and the engineer, as well as one copy that will be returned to BuildCo:</p> <ul style="list-style-type: none"> - Land property title, including, site map, location map, city-land parcel number, and area regulations signed by a surveyor. - Documents about dimensions. - Project drawings: the proposed site plan and architectural plans, including dimensions, furniture, and reflected ceiling; and elevation, sections, and area diagrams with door and window schedules. - Structural drawings, including foundation plans, slabs, and details. - Plans for utilities, lighting, and earthing diagrams. - Mechanical plans for hot and cold water supplies, heating/cooling, ventilation, and sewerage. - Soil test. - Application form. <p>The municipality must approve all copies mentioned above. The Ministry of Tourism and Antiquities must also approve BuildCo's set of copies, as do the utility companies.</p>
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Procedure	7	Obtain civil defense permit
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Time to complete:	14 days
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Cost to complete:	ILS 1,201
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Comment:	<p>To obtain a civil defense permit, BuildCo must submit the following documents:</p> <ul style="list-style-type: none"> - Land property title. - Documents about dimensions. - Project drawings. - Certificate of professional engineer - Project acceptance from the Engineers Syndicate. - Application form.
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Procedure	8	Receive site inspection and approval from the Ministry of Tourism and Antiquities
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Time to complete:	14 days
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Cost to complete:	no charge
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Comment:	BuildCo must submit a set of drawings to the Ministry of Tourism and Antiquities.
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Procedure	9	Obtain environmental permit
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Time to complete:	75 days
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Cost to complete:	ILS 6,503
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Comment:	<p>To obtain an environmental permit, BuildCo must submit a letter containing the project specifications. BuildCo must pay a refundable deposit of USD 10,000. This is also the fee for excavation, or an assurance that the site will be brought back to its original state once the project is complete.</p>
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Procedure	10	Receive foundation inspection
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Time to complete:	1 day
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Cost to complete: no charge

Comment: During construction the municipality randomly inspects the excavation work.

Procedure 11 Receive concrete slab inspection

Time to complete: 1 day

Cost to complete: no charge

Comment:

Procedure 12 Request and receive final inspection

Time to complete: 1 day

Cost to complete: no charge

Comment: BuildCo must acquire letters of approval from the municipality, including those needed to obtain utility connections.

Procedure 13 Obtain letters of completion from the municipality

Time to complete: 14 days

Cost to complete: no charge

Comment:

Procedure 14 Bring municipal letters of approval to water and sewage company (GEKA) and make appointment for inspection

Time to complete: 1 day

Cost to complete: no charge

Comment:

Procedure 15 Bring municipal letters of approval to the electricity company and make appointment for inspection

Time to complete: 1 day

Cost to complete: no charge

Comment:

Procedure 16 Obtain water and sewage inspection

Time to complete: 1 day

Cost to complete: no charge

Comment: The time from scheduling an appointment to when the inspector installs the meter is a week.

Procedure 17 Obtain electricity inspection

Time to complete: 1 day

Cost to complete: no charge

Comment: The time from scheduling an appointment to when the inspector installs the meter is 2–3 days.

Procedure 18 Obtain water and sewage connection

Time to complete: 3 days

Cost to complete: ILS 3,500

Comment: The cost depends on the type of pipes used in the connections:
- One-inch-diameter water line fees = ILS 1,500.
- Two-inch-diameter water line fees = ILS 5,000.

Sewerage connection costs around ILS 2,000 for four-inch-diameter lines. The fees are paid to the water and sewerage company, General des Eaux Khatib & Alami (GEKA), excluding the prices of the water lines, which depend on the length of the line and on the number and depth of manholes.

Procedure 19 Obtain power connection

Time to complete: 35 days

Cost to complete: ILS 780

Comment: The time and cost of obtaining an electricity connection depend on how much power is needed. In this case, only a 100-ampere connection is needed. If more than 1,000 amperes are needed, a transformer is necessary, which costs a few thousand U.S. dollars and takes a month.

Procedure 20 Receive electricity inspection of the inside of the building

Time to complete: 1 day

Cost to complete: no charge

Comment:

Procedure 21 Obtain phone connection

Time to complete: 1 day

Cost to complete: ILS 345

Comment:

Employing Workers in West Bank and Gaza

Employing workers indices are based on responses to survey questions. The table below shows these responses in West Bank and Gaza.

Employing Workers Indicators (2007)	Answer	Score
Rigidity of Employment Index		31.1
Difficulty of Hiring Index		33.3
Are fixed-term contracts prohibited for permanent tasks?	No	0
What is the maximum duration of fixed-term contracts (including renewals)? (in months)	24	1.0
What is the ratio of mandated minimum wage to the average value added per worker?	0.00	0.00
Rigidity of Hours Index		40.0
Can the workweek extend to 50 hours (including overtime) for 2 months per year to respond to a seasonal increase in production?	Yes	0
What is the maximum number of working days per week?	6	0
Are there restrictions on night work?	Yes	1
Are there restrictions on "weekly holiday" work?	Yes	1
What is the paid annual vacation (in working days) for an employee with 20 years of service?	18	0
Difficulty of Firing Index		20.0
Is the termination of workers due to redundancy legally authorized?	Yes	0
Must the employer notify a third party before terminating one redundant worker?	Yes	1
Does the employer need the approval of a third party to terminate one redundant worker?	No	0
Must the employer notify a third party before terminating a group of 25 redundant workers?	Yes	1
Does the employer need the approval of a third party to terminate a group of 25 redundant workers?	No	0
Can an employer make redundant a worker only if the worker could not have been reassigned or retrained?	No	0
Are there priority rules applying to redundancies?	No	0
Are there priority rules applying to re-employment?	No	0
Firing costs (weeks of wages)		91.0
What is the notice period for redundancy dismissal after 20 years of continuous employment? (weeks of salary)		4.3

What is the severance pay for redundancy dismissal after 20 years of employment? (weeks of salary)	86.7
What is the legally mandated penalty for redundancy dismissal? (weeks of salary)	0.0
Nonwage labor cost (% of salary)	0.0

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

Registering Property in West Bank and Gaza

This topic examines the steps, time, and cost involved in registering property in West Bank and Gaza.

STANDARDIZED PROPERTY

Property Value: 56,000.00

City: Ramallah

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Execute powers of attorney at lawyer's office	1 day	\$500 (legal fees)
2	Notarize powers of attorney	1 day	\$12-20 (notary fees)
3	Open the transaction file at the land registry	30 days	no cost
4	Land registry values property	20 days	no cost
5	Obtain tax clearance certificate from the Municipality	7 days	no cost
6	Obtain tax clearance certificate from the Ministry of Finance	7 days	no cost
7	Submit tax clearance certificates to the land registry	1-2 days	no cost
8	Proceed to land registry to sign valuation	1 day	no cost
9	Pay taxes at commercial bank	1 day	1% + 0.2% property value (transfer taxes) + \$30 – \$40 (stamp duties)
10	Bring receipts to land registry and finalize the transaction	1 -2 days	no cost

Procedure 1	Execute powers of attorney at lawyer's office
Time to complete:	1 day
Cost to complete:	\$500 (legal fees)
Comment:	It is mandatory by law that a lawyer write the powers of attorney to act on behalf of both parties.
Procedure 2	Notarize powers of attorney
Time to complete:	1 day
Cost to complete:	\$12-20 (notary fees)
Comment:	The powers of attorney must be notarized.
Procedure 3	Open the transaction file at the land registry
Time to complete:	30 days
Cost to complete:	no cost
Comment:	<p>The land registry examines the documents and the property file and determines what taxes are to be paid on it. It then makes an estimate of the property value and gives the parties 2 forms—one each for the Municipality and the Ministry of Finance, to take to those offices and receive debt-free tax certificates. At the same time, to speed up the process the information is sent to the central land authority in Gaza for approval. It takes 7 days to be returned, simultaneous with the land registry opening the transaction file.</p> <p>Documents required:</p> <ul style="list-style-type: none"> - incorporation documents - board resolutions to buy/sell - identification of all parties - notarized POAs
Procedure 4	Land registry values property
Time to complete:	20 days
Cost to complete:	no cost
Comment:	The valuation is only needed if the property has not been valued in the past 5 years—which indeed applies to this case. If it has, the value should be in the title file or the parties give an estimate. If not, then an inspection/valuation is required which takes 3 days total and no cost. The registry will then take the remaining time to make its estimate of the value based on the higher of either the parties estimate or the official valuation.
Procedure 5	Obtain tax clearance certificate from the Municipality
Time to complete:	7 days
Cost to complete:	no cost
Comment:	Parties bring the form initially obtained from the land registry in procedure 3.

Procedure 6 Obtain tax clearance certificate from the Ministry of Finance

Time to complete: 7 days

Cost to complete: no cost

Comment: Parties bring the form initially obtained from the land registry in procedure 3.

Procedure 7 Submit tax clearance certificates to the land registry

Time to complete: 1-2 days

Cost to complete: no cost

Comment:

Procedure 8 Proceed to land registry to sign valuation

Time to complete: 1 day

Cost to complete: no cost

Comment:

Procedure 9 Pay taxes at commercial bank

Time to complete: 1 day

Cost to complete: 1% + 0.2% property value (transfer taxes) + \$30 – \$40 (stamp duties)

Comment:

Procedure 10 Bring receipts to land registry and finalize the transaction

Time to complete: 1 -2 days

Cost to complete: no cost

Comment:

Getting Credit in West Bank and Gaza

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

Getting Credit Indicators (2007)			Indicator
Private bureau coverage (% adults)	Private credit bureau	Public credit registry	3
Are data on both firms and individuals distributed?	No	Yes	1
Are both positive and negative data distributed?	No	Yes	1
Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions?	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	Yes	1
Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?	No	No	0
Coverage	0.0	1.8	
Number of individuals	0	22,874	
Number of firms	0	14,131	
Legal Rights Index			5
Does the law allow all natural and legal persons to be party to collateral agreements?			Yes
Does the law allow for general descriptions of assets, so that all types of assets can be used as collateral?			Yes
Does the law allow for general descriptions of debt, so that all types of obligations can be secured?			Yes
Does a unified registry exist for all security rights in movable property?			Yes
Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?			No
Do secured creditors have absolute priority to their collateral in bankruptcy procedures?			No
During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?			No
During reorganization, is management's control of the company's assets suspended?			Yes
Does the law authorize parties to agree on out of court enforcement?			No
May parties have recourse to out of court enforcement without restrictions?			No

Protecting Investors in West Bank and Gaza

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

Protecting Investors Data (2007)	Indicator
Disclosure Index	6
What corporate body provides legally sufficient approval for the transaction? (0-3; see notes)	1
Immediate disclosure to the public and/or shareholders (0-2; see notes)	2
Disclosures in published periodic filings (0-2; see notes)	2
Disclosures by Mr. James to board of directors (0-2; see notes)	1
Requirement that an external body review the transaction before it takes place (0=no, 1=yes)	0
Director Liability Index	5
Shareholder plaintiff's ability to hold Mr. James liable for damage the Buyer-Seller transaction causes to the company. (0-2; see notes)	1
Shareholder plaintiff's ability to hold the approving body (the CEO or board of directors) liable for damage to the company. (0-2; see notes)	1
Whether a court can void the transaction upon a successful claim by a shareholder plaintiff (0-2; see notes)	0
Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff (0=no, 1=yes)	1
Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff (0=no, 1=yes)	1
Whether fines and imprisonment can be applied against Mr. James (0=no, 1=yes)	0
Shareholder plaintiff's ability to sue directly or derivatively for damage the transaction causes to the company (0-1; see notes)	1
Shareholder Suits Index	7
Documents available to the plaintiff from the defendant and witnesses during trial (0-4; see notes)	3
Ability of plaintiffs to directly question the defendant and witnesses during trial (0-2; see notes)	2
Plaintiff can request categories of documents from the defendant without identifying specific ones (0=no, 1=yes)	0
Shareholders owning 10% or less of Buyer's shares can request an inspector investigate the transaction (0=no, 1=yes)	0
Level of proof required for civil suits is lower than that for criminal cases (0=no, 1=yes)	1
Shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit (0=no, 1=yes)	1

Notes:**Extent of Disclosure Index**

What corporate body provides legally sufficient approval for the transaction?

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

Immediate disclosure to the public and/or shareholders

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

Disclosures in published periodic filings

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

Disclosures by Mr. James to board of directors

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

Director Liability Index

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

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

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

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

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

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

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

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

Shareholder Suits Index

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

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

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

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

Paying Taxes in West Bank and Gaza

The table below addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year in West Bank and Gaza, 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		48	16% and 14.5%	value added		not included
Personal income tax	0	withheld	96		taxable personal income		withheld
Fuel tax (Irrecoverable VAT)	0	paid jointly		16% and 14.5%	value of fuel consumption	0.34	
Municipal business tax	1			17.0%	rental value of building	0.54	48% counts as tax in advance
Capital gains tax	1			15.0%	capital gain	0.76	
Corporate income tax	13		10	15.0%	taxable profits	15.67	
Totals	27		154			17.1	

Notes:

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

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

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

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

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

Trading Across Borders in West Bank and Gaza

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

Nature of Export Procedures (2007)	Duration (days)	US\$ Cost
Documents preparation	12	95
Customs clearance and technical control	2	60
Ports and terminal handling	5	250
Inland transportation and handling	6	425
Totals	25	830

Nature of Import Procedures (2007)	Duration (days)	US\$ Cost
Documents preparation	24	300
Customs clearance and technical control	8	120
Ports and terminal handling	4	250
Inland transportation and handling	4	325
Totals	40	995

Export

Bill of lading

Commercial invoice

Customs export declaration

Equipment interchange receipt

Packing list

Preferential certificate

Import

Bill of lading

Cargo release order

Certificate of origin

Commercial invoice

Customs import declaration

Packing list

Enforcing Contracts in West Bank and Gaza

This topic looks at the efficiency of contract enforcement in West Bank and Gaza.

Nature of Procedure (2007)	Indicator
Procedures (number)	44.00
Duration (days)	700.00
Filing and service	25.0
Trial and judgment	600.0
Enforcement of judgment	75.0
Cost (% of claim)*	21.20
Attorney cost (% of claim)	17.0
Court cost (% of claim)	3.2
Enforcement Cost (% of claim)	1.0

Court information: Ramallah Magistrates Court ("محكمة الصلح")

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