

Doing Business in Poland 2015



COMPARING BUSINESS REGULATIONS FOR DOMESTIC FIRMS IN 18 CITIES
WITH 188 OTHER ECONOMIES



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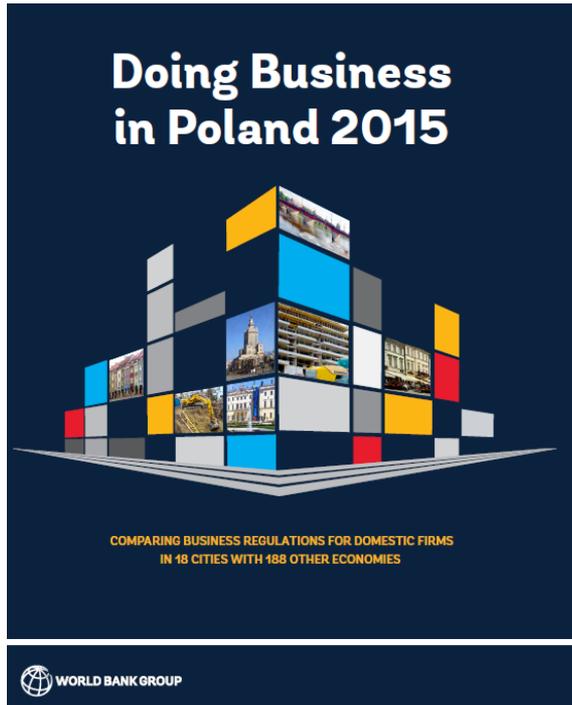


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Director, Global Indicators Group
Development Economics



What does *Doing Business* measure?

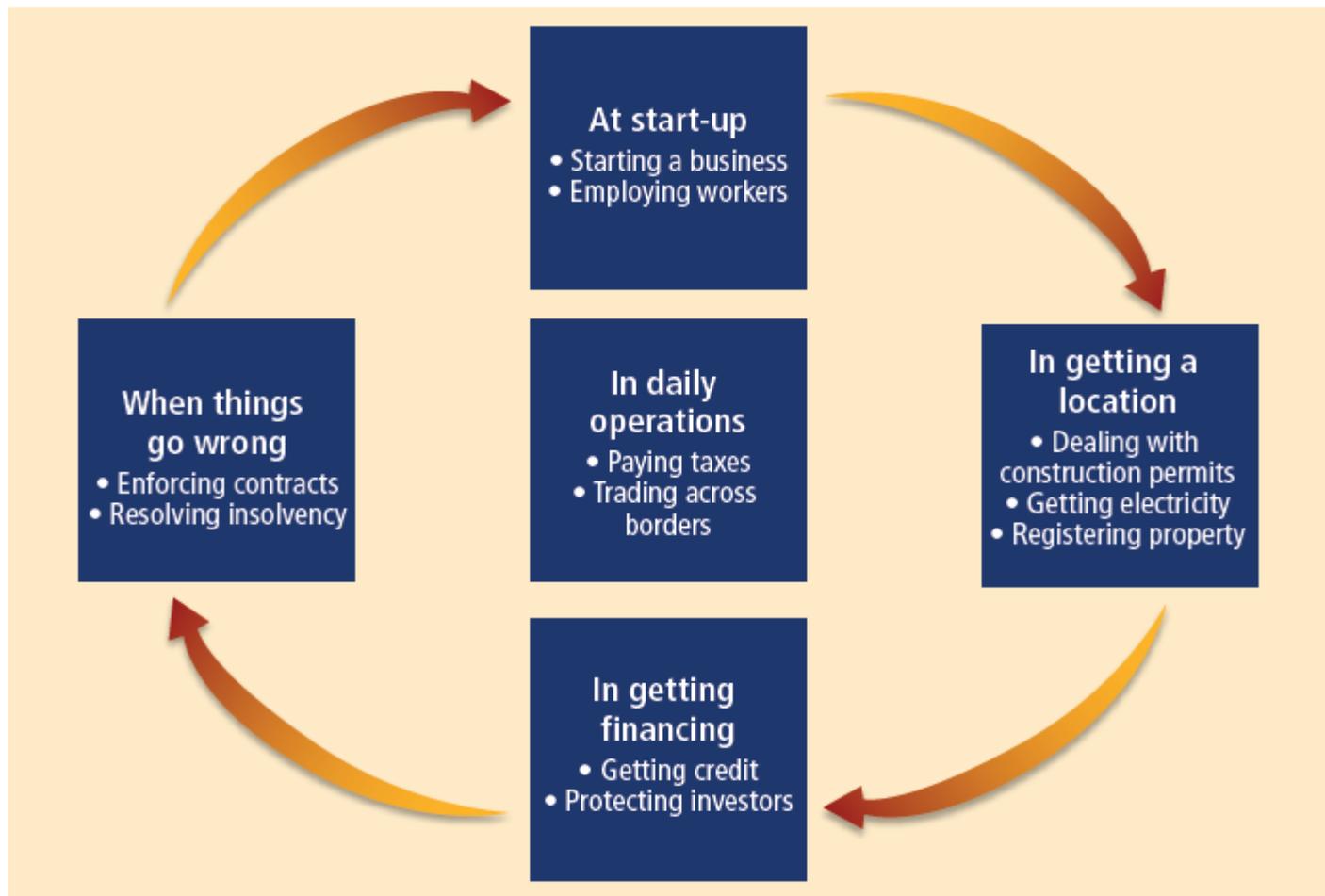


Doing Business indicators:

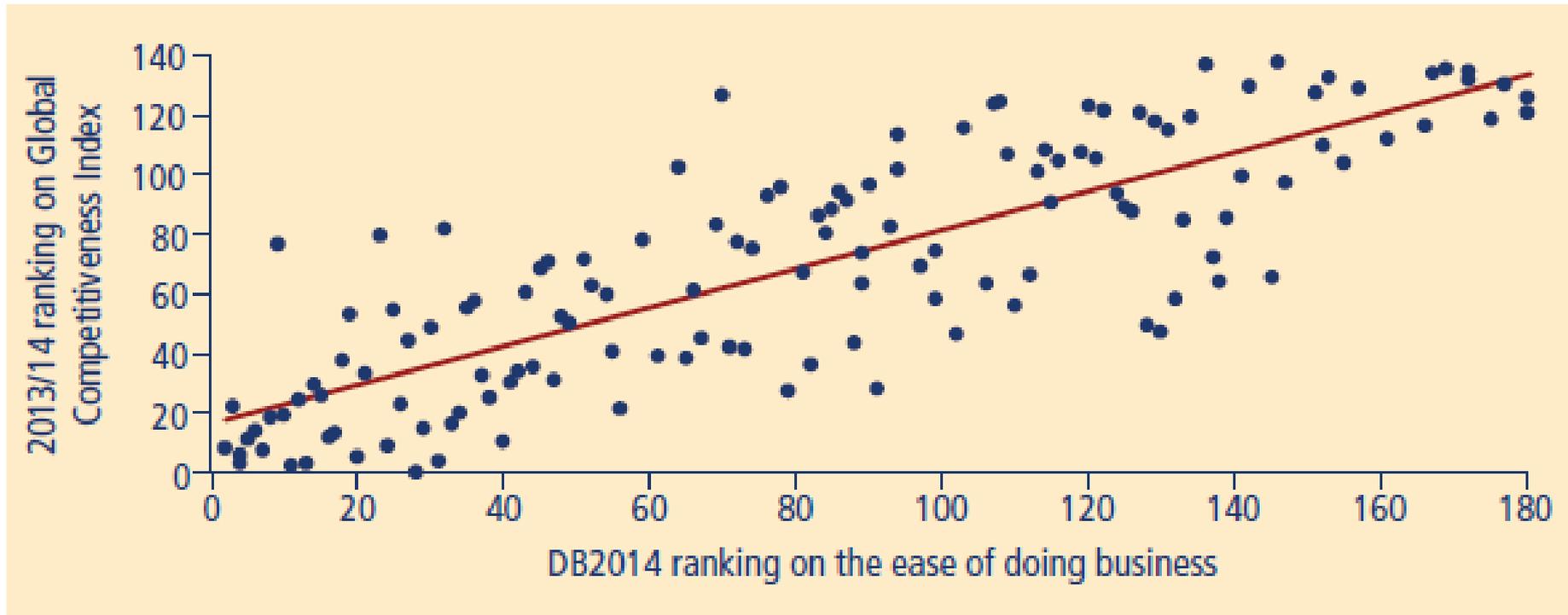
- ✓ Focus on regulations relevant to the life cycle of a small to medium-sized domestic business.
- ✓ Are built on standardized case scenarios.
- ✓ Are measured for the most populous city in each country.
- ✓ Are focused on the formal sector.

DO NOT measure all aspects of the business environment such as macroeconomic stability, corruption, level of labor skills, proximity to markets, or of regulation specific to foreign investment or financial markets.

***Doing Business* measures areas of regulation that are important throughout the life cycle of small and medium size firms**



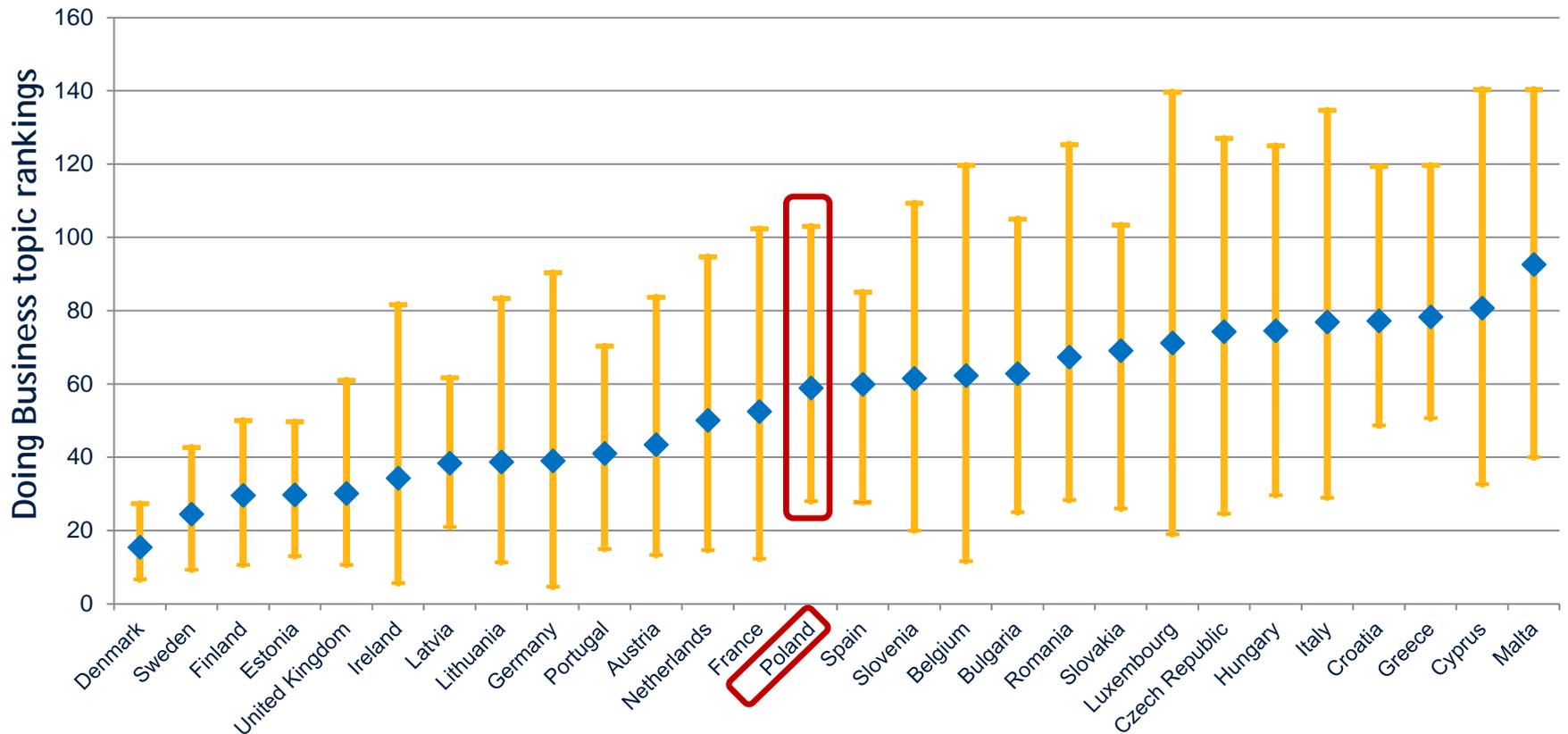
Doing Business – an important component of overall competitiveness



Note: Relationships are significant at the 1% level after controlling for income per capita.

Source: *Doing Business* database; World Economic Forum 2012.

Poland ranked 32 on the global ease of doing business in 2014, but performance varies significantly across indicators



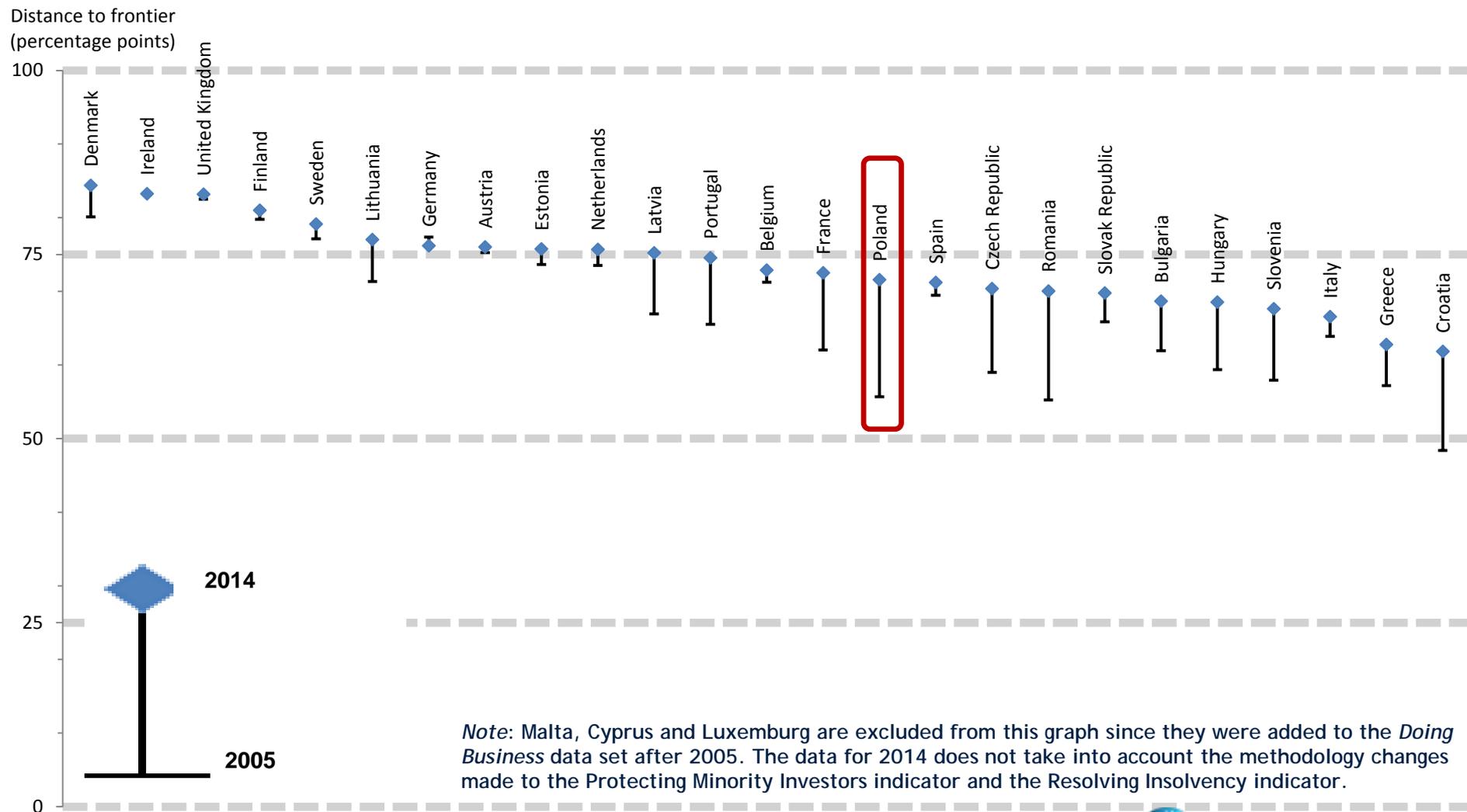
Poland TOP 3 rankings:

- Getting credit: 17
- Resolving insolvency: 32
- Protecting investors: 35

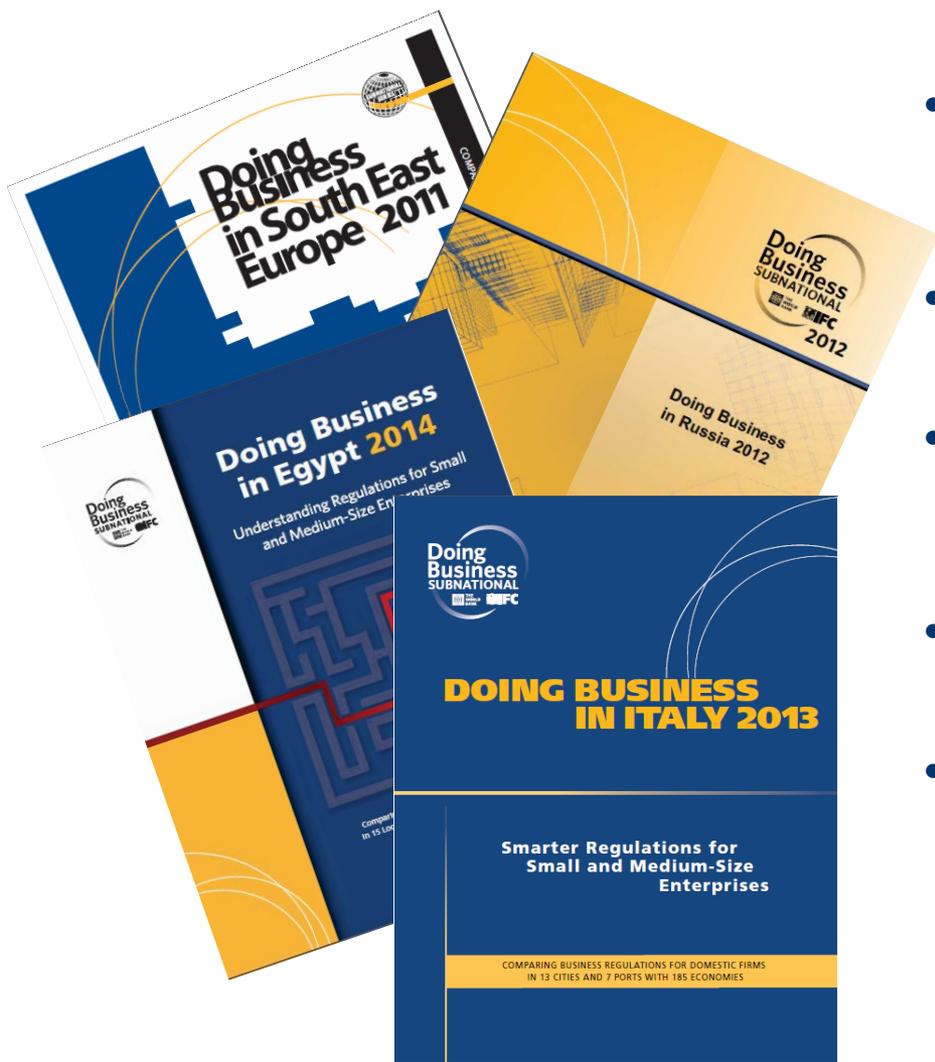
Poland BOTTOM 3 rankings:

- Starting a business: 85
- Paying taxes: 87
- Dealing with construction permits: 137

Poland has registered the most progress on the “distance to frontier” metric of any EU country

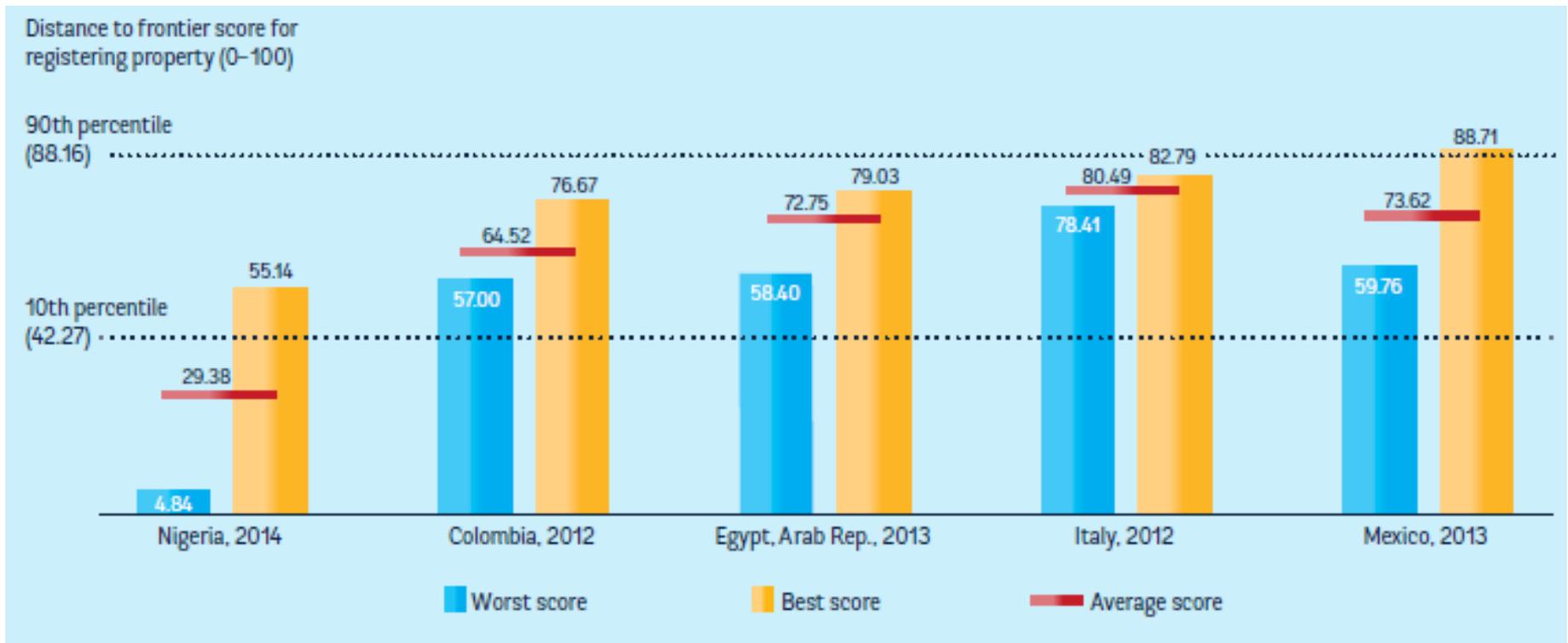


What do *Subnational Doing Business (SNDB)* reports add?

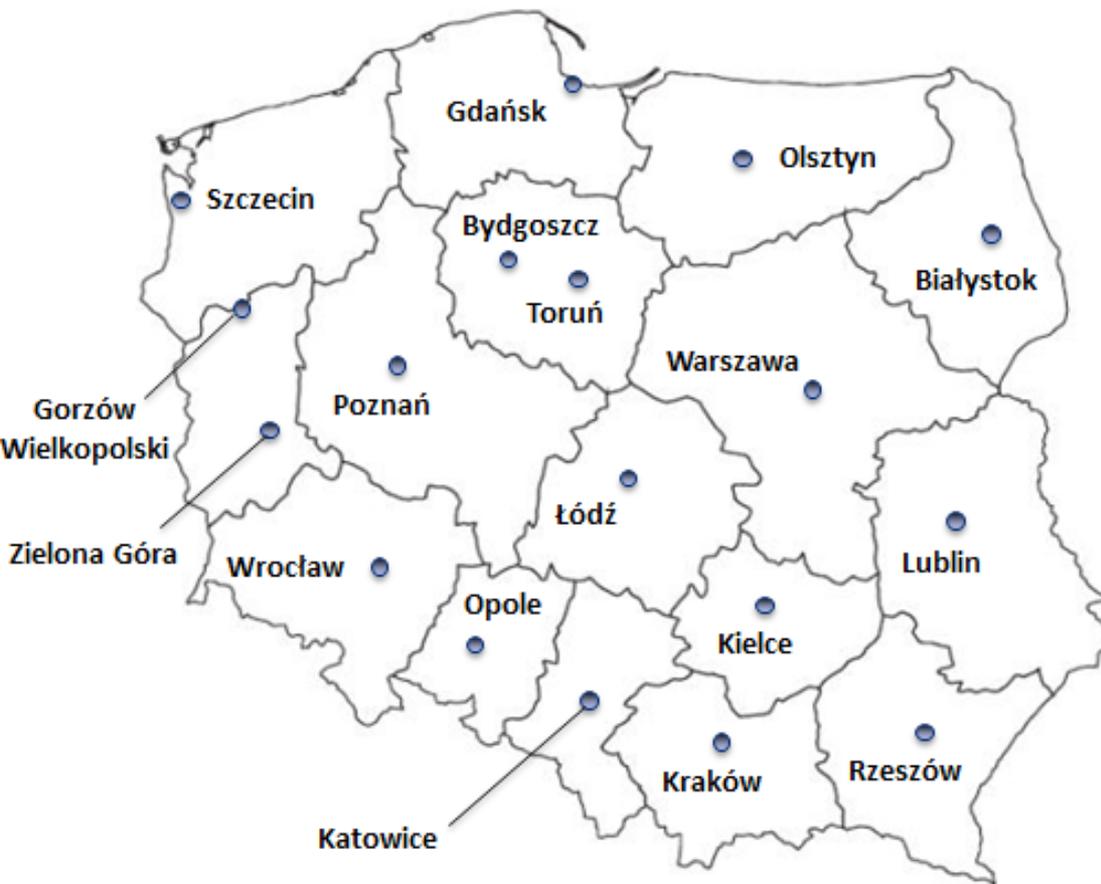


- Expand *Doing Business* indicators **beyond the largest business city** measured by the annual report
- Capture **local differences** in regulations or enforcement
- Provide information on **good practices** within the same country that can be easily replicated
- Provide a tool for **locations** to tell their story and **to compete globally**
- Combine *Doing Business* media appeal with active **participation of subnational governments** in the reform process

Different locations, different regulatory processes, same country: Examples of property registration

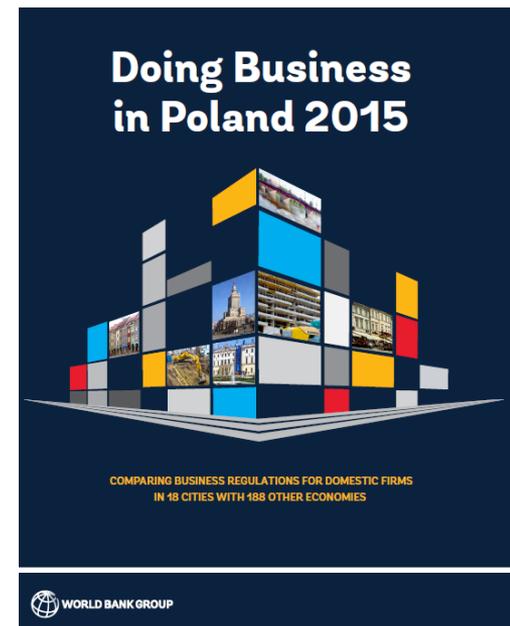


What does *Doing Business in Poland 2015* cover?



Four indicators in 18 cities from 16 voivodeships:

1. Starting a Business
2. Dealing with Construction Permits
3. Registering property
4. Enforcing contracts



Data collection done in partnership with the Polish Confederation Lewiatan

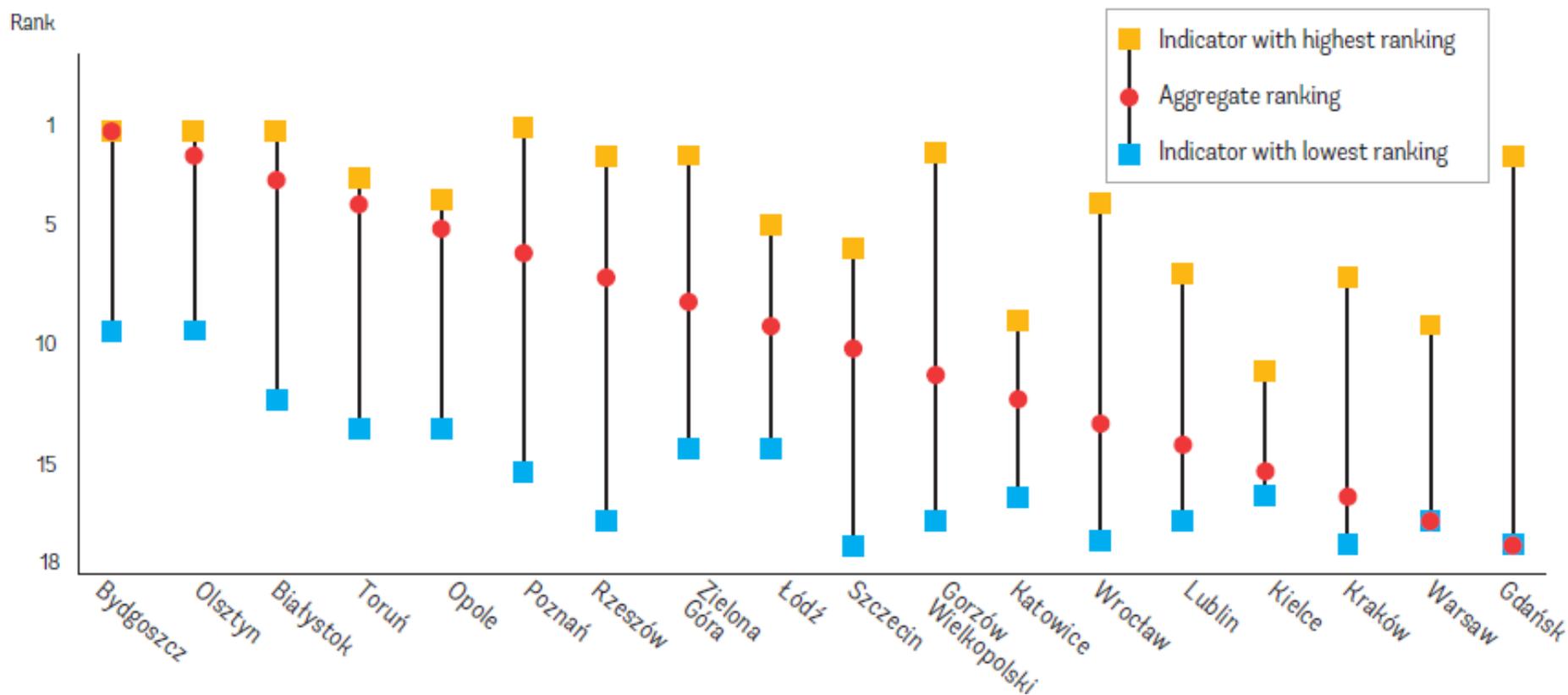
Doing Business in Poland 2015: what are the main findings?

- ✓ Polish entrepreneurs face different regulatory hurdles depending on where they establish their businesses. There are varying efficiency levels at the public agencies in charge of the 4 areas and discrepancies in the interpretation of national legislation.
- ✓ Smaller cities tend to do better overall across the 4 indicators: of the 18 cities measured, Bydgoszcz tops the aggregate ranking.
- ✓ However, several large cities rank at or near the top of individual indicators.
- ✓ No single city outperforms the others on all 4 indicators.
- ✓ Reform-minded local officials can make tangible improvements by replicating measures already successfully implemented in other cities in Poland.

No single city ranks at the top on all indicators

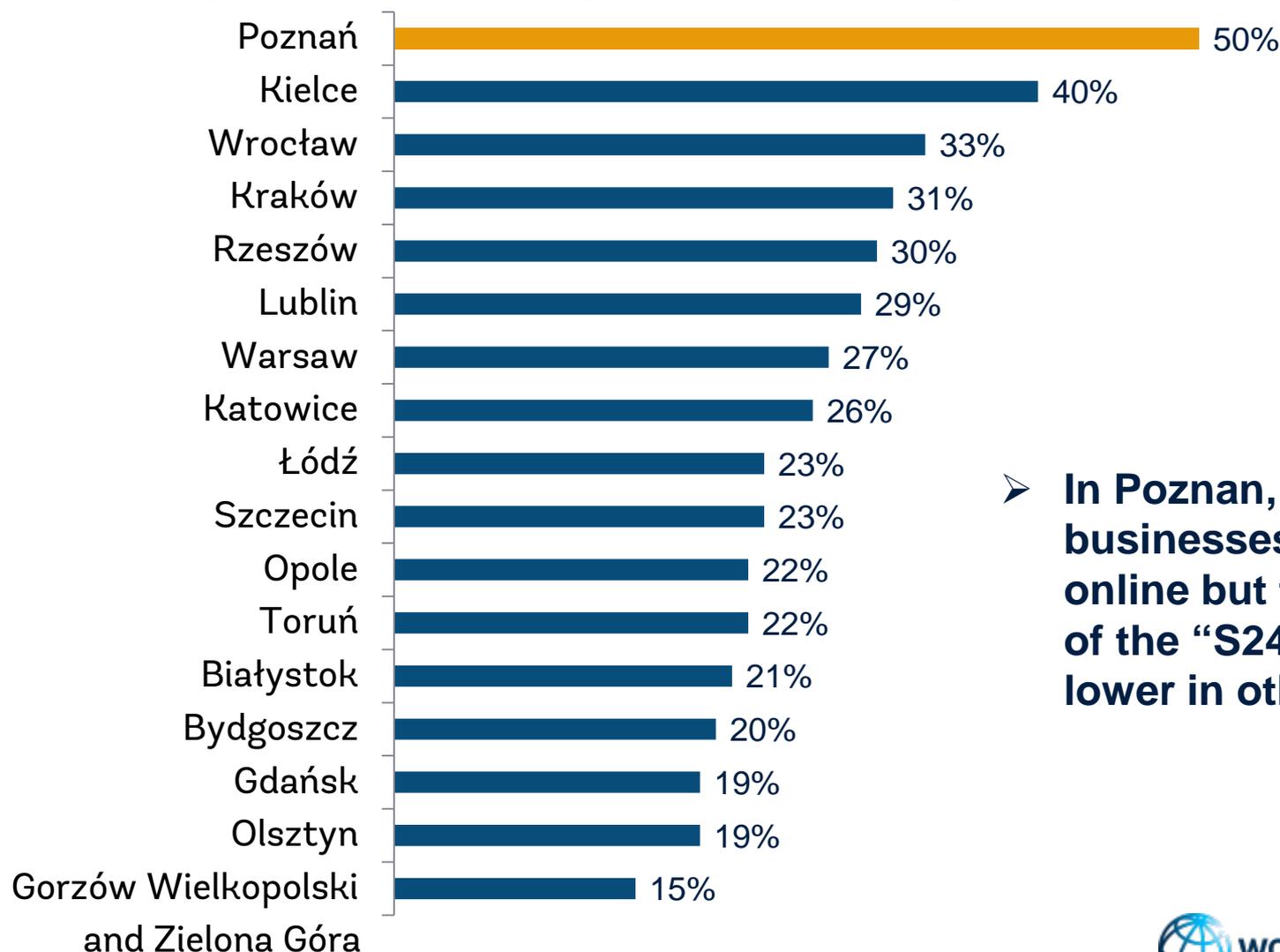
City	Aggregate rank on 4 indicators	Ease of starting a business	Ease of dealing with construction permits	Ease of registering property	Ease of enforcing contracts
Bydgoszcz	1	9	1	3	6
Olsztyn	2	2	9	5	1
Białystok	3	4	12	1	3
Toruń	4	13	3	7	5
Opole	5	4	6	13	4
Poznań	6	1	15	4	7
Rzeszów	7	17	2	9	8
Zielona Góra	8	14	10	2	10
Łódź	9	9	5	8	14
Szczecin	10	18	7	6	12
Gorzów Wielkopolski	11	14	17	11	2
Katowice	12	9	11	16	13
Wrocław	13	6	4	18	16
Lublin	14	7	8	17	15
Kielce	15	16	13	15	11
Kraków	16	7	18	12	9
Warsaw	17	9	14	10	17
Gdańsk	18	2	16	14	18

Variability of performance across areas of business regulations reveals opportunities for improvement



It is four times faster and half as costly to register a business online

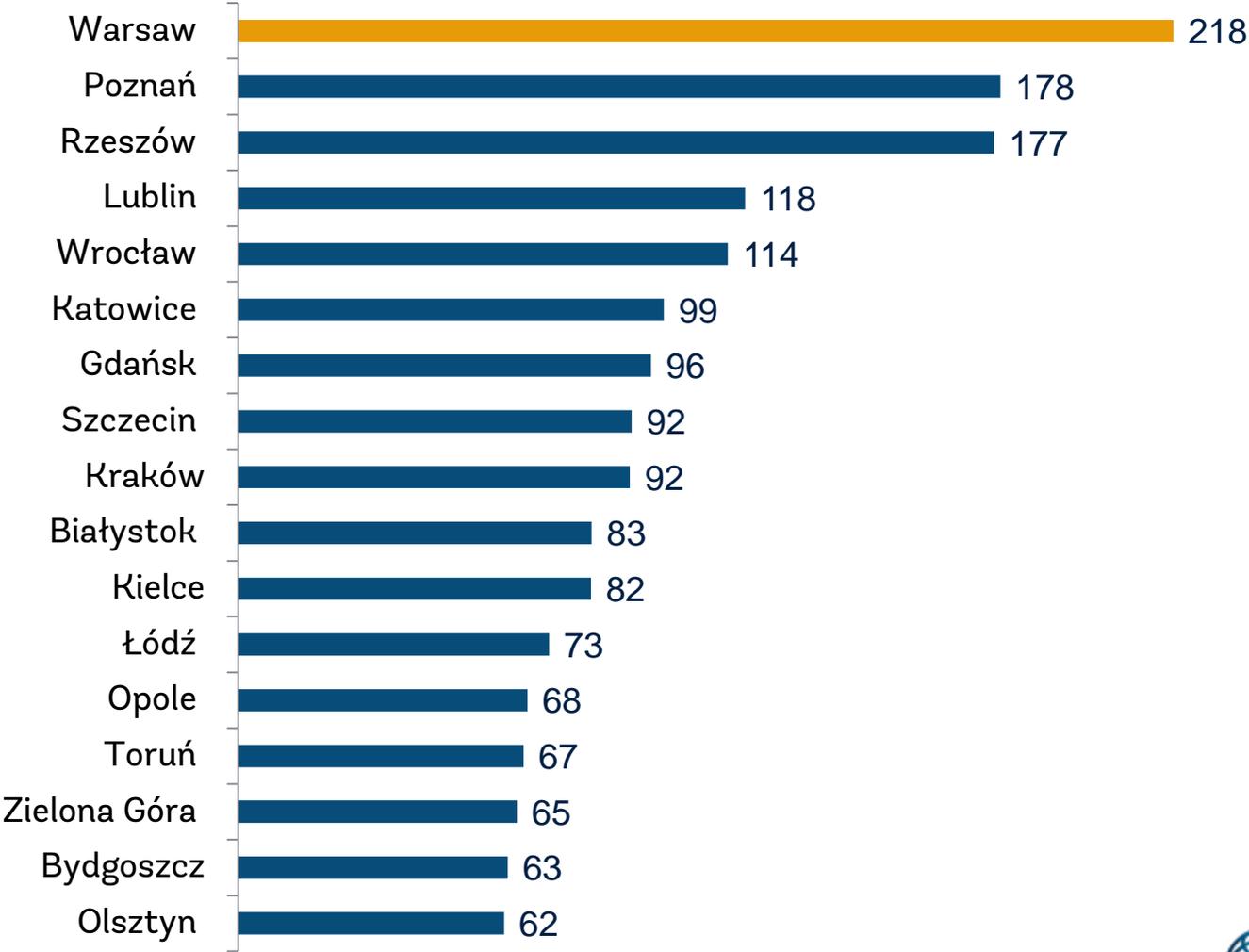
% of LLCs registered with the S24 system (June 2013-May 2014)



➤ In Poznan, most businesses register online but the uptake of the “S24” system is lower in other cities.

Warsaw maintains registration response times well within average despite having the busiest *referendarzs*

Number of new LLCs registered per *referendarz* (June 2013-May 2014)



What can be improved: starting a business

Recommendations

- Improve efficiency at the National Court Register by adopting existing good practices
- Allow the use of standard articles of association for registration at the one-stop shop of the National Court Register
- Create a single online process for starting a business
- Assess the feasibility of replacing the civil law transaction tax with a business registration fee based on a cost recovery principle
- Eliminate the minimum capital requirement

Relevant Ministries/ Agencies*

Local level:

- District Court: National Court Register division
- Tax Office
- Statistical Office
- Social Insurance Office

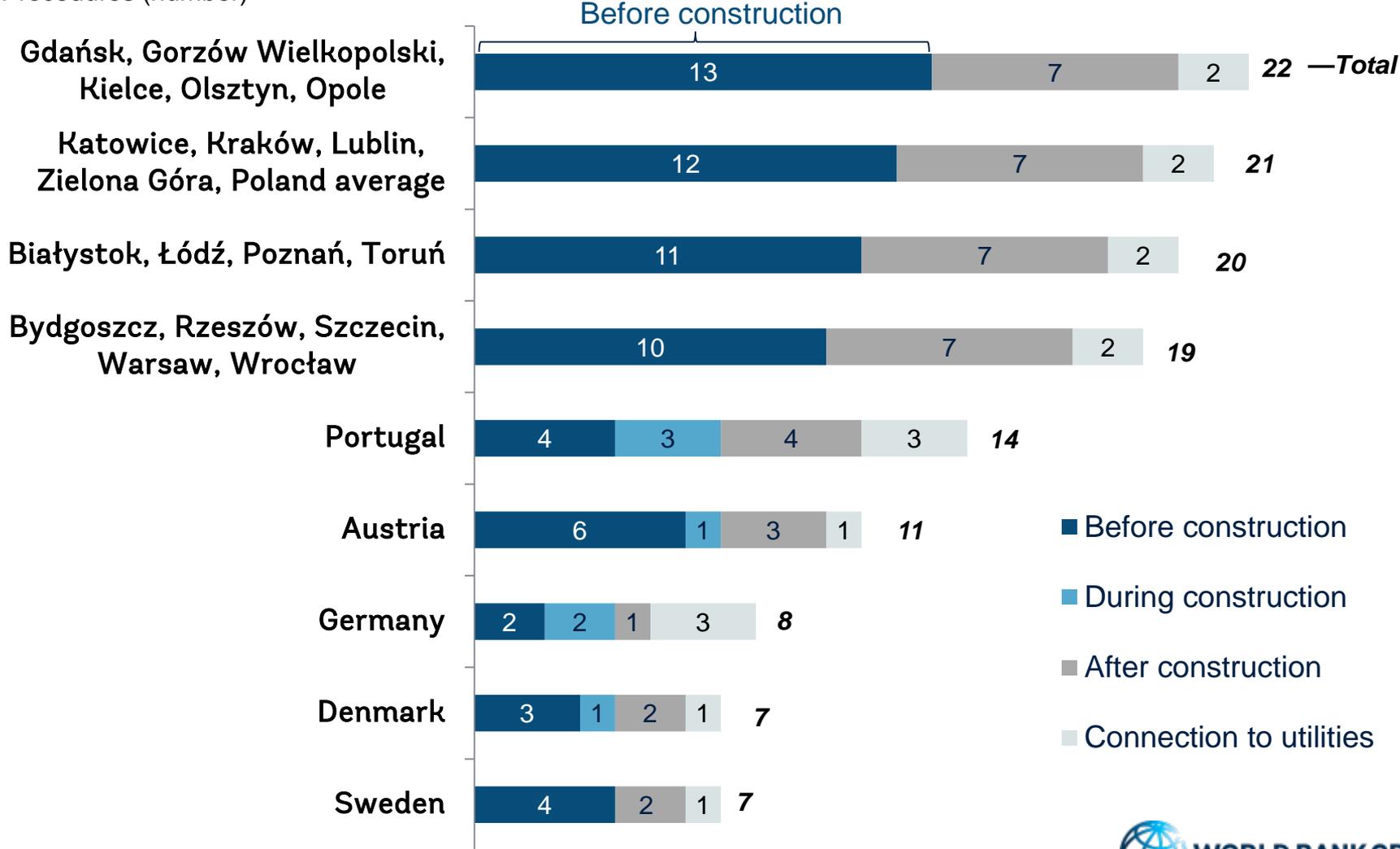
National level:

- Ministry of Justice
- Ministry of Finance
- Central Statistical Office
- National Council of the Judiciary

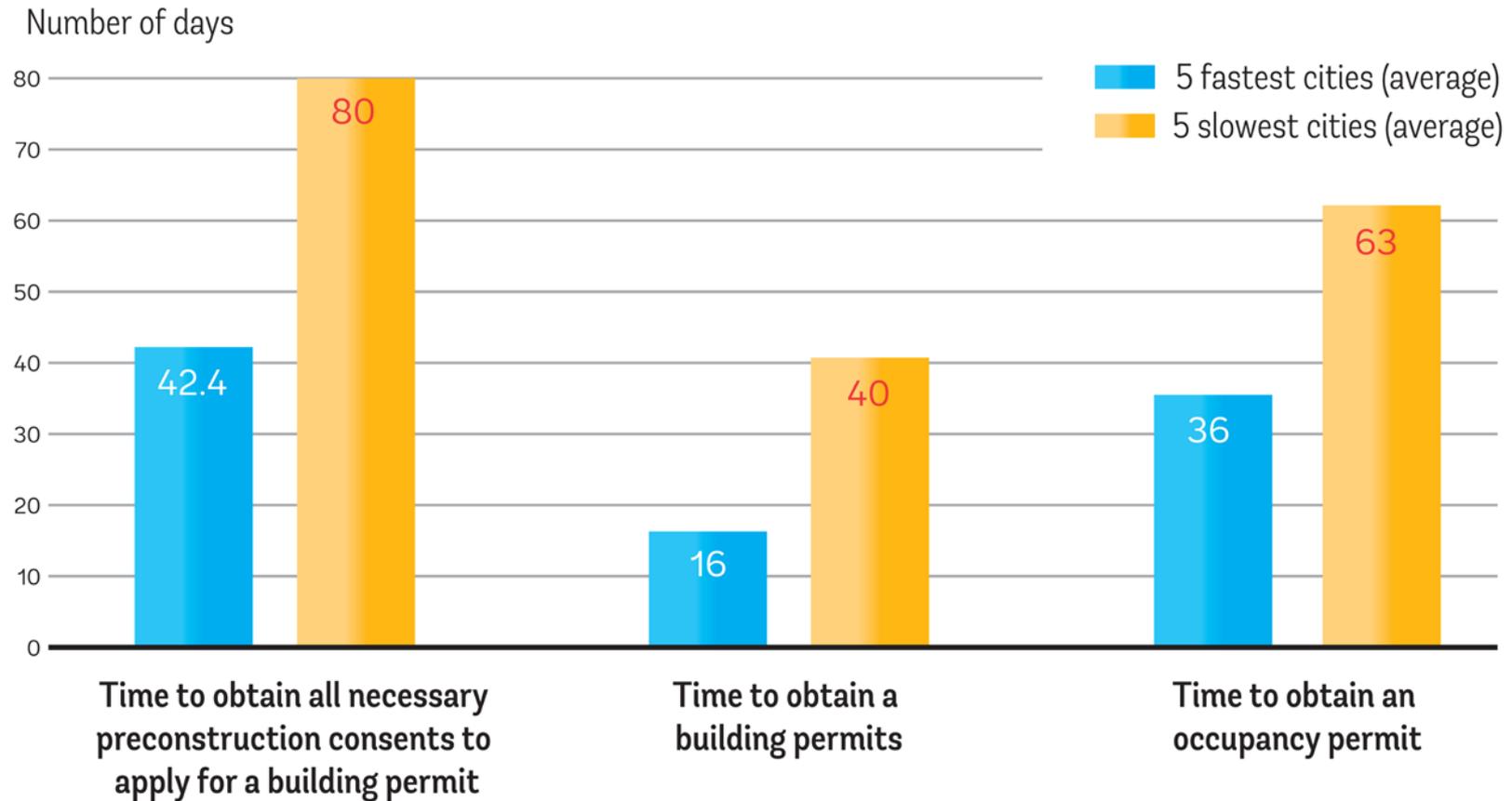
*The list includes the main ministries and departments but additional departments or ministries might be implicated.

The many pre- and post-construction requirements make the process more complex than in other EU economies

Procedures (number)



There are large variations among cities in the number of days required to deal with construction permits



What can be improved: dealing with construction permits

Recommendations

- Consolidate or eliminate pre-construction clearances
- Clarify and better communicate the construction permitting process and requirements
- Invest in advanced zoning systems
- Consolidate and simplify post-completion inspections and the issuance of the occupancy certificate
- Develop an electronic platform for the construction permit administration

Relevant Ministries/ Agencies*

Local level:

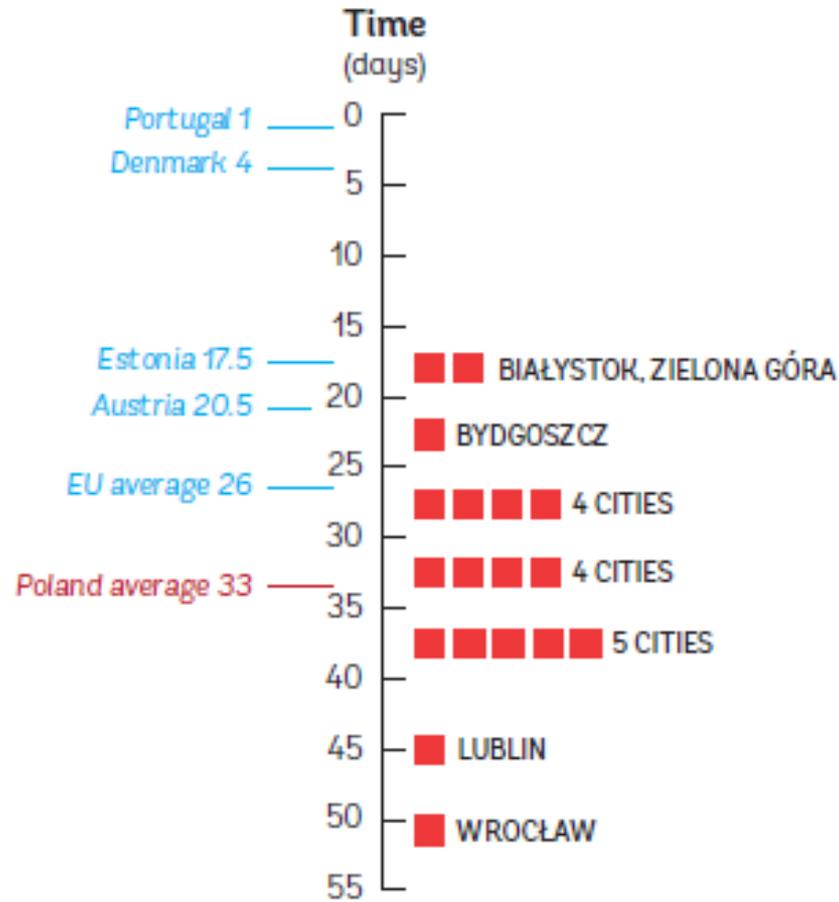
- City Hall: Architecture department
- City Hall: Geodetic department
- City Hall: Urban Planning department
- County Building Inspectorate
- Public utility providers

National level:

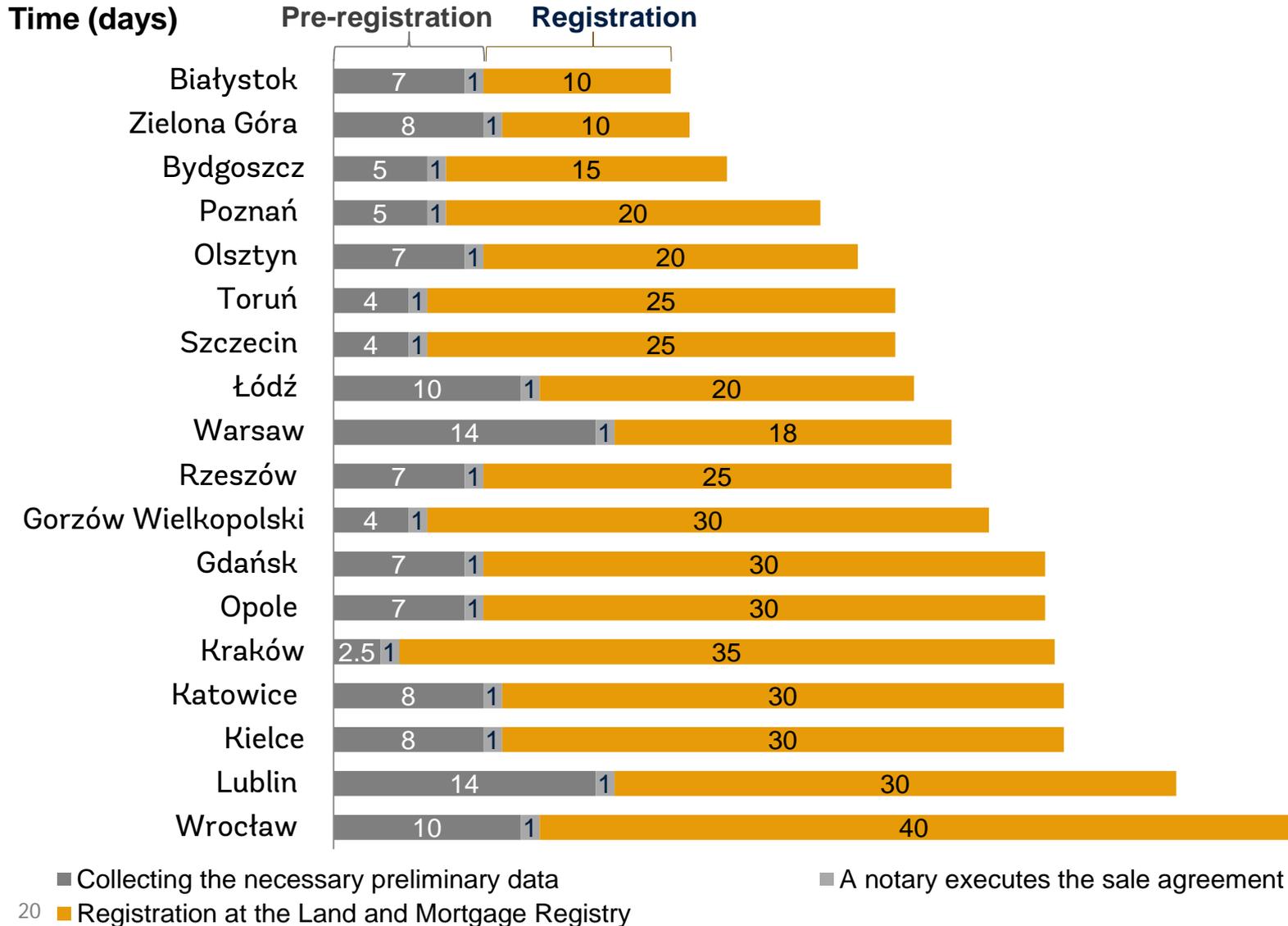
- Ministry of Infrastructure and Development
- General Office of Building Control
- Head Office of Land Surveying and Cartography
- National Sanitary Inspectorate
- State Fire Service

*The list includes the main ministries and departments but additional departments or ministries might be implicated.

While the procedures for transferring property are uniform across Poland, it can take 18 days to register property in Białystok, but 51 days to do so in Wrocław



Registering with the Land and Mortgage Registry is the most time-consuming requirement



What can be improved: registering property

Recommendations

- Optimize available resources to reduce delays at the Land and Mortgage Registry of the relevant court
- Move toward electronic registration
- Improve the interconnection between the Land and Mortgage Registry and the Cadastre
- Use a single identification number for property searches at the Land and Mortgage Registry and the Cadastre
- Improve public service delivery at the City Hall

Relevant Ministries/ Agencies*

Local level:

- District Court: Land and Mortgage Registry
- City Hall: Urban Planning department
- City Hall: Cadastre department

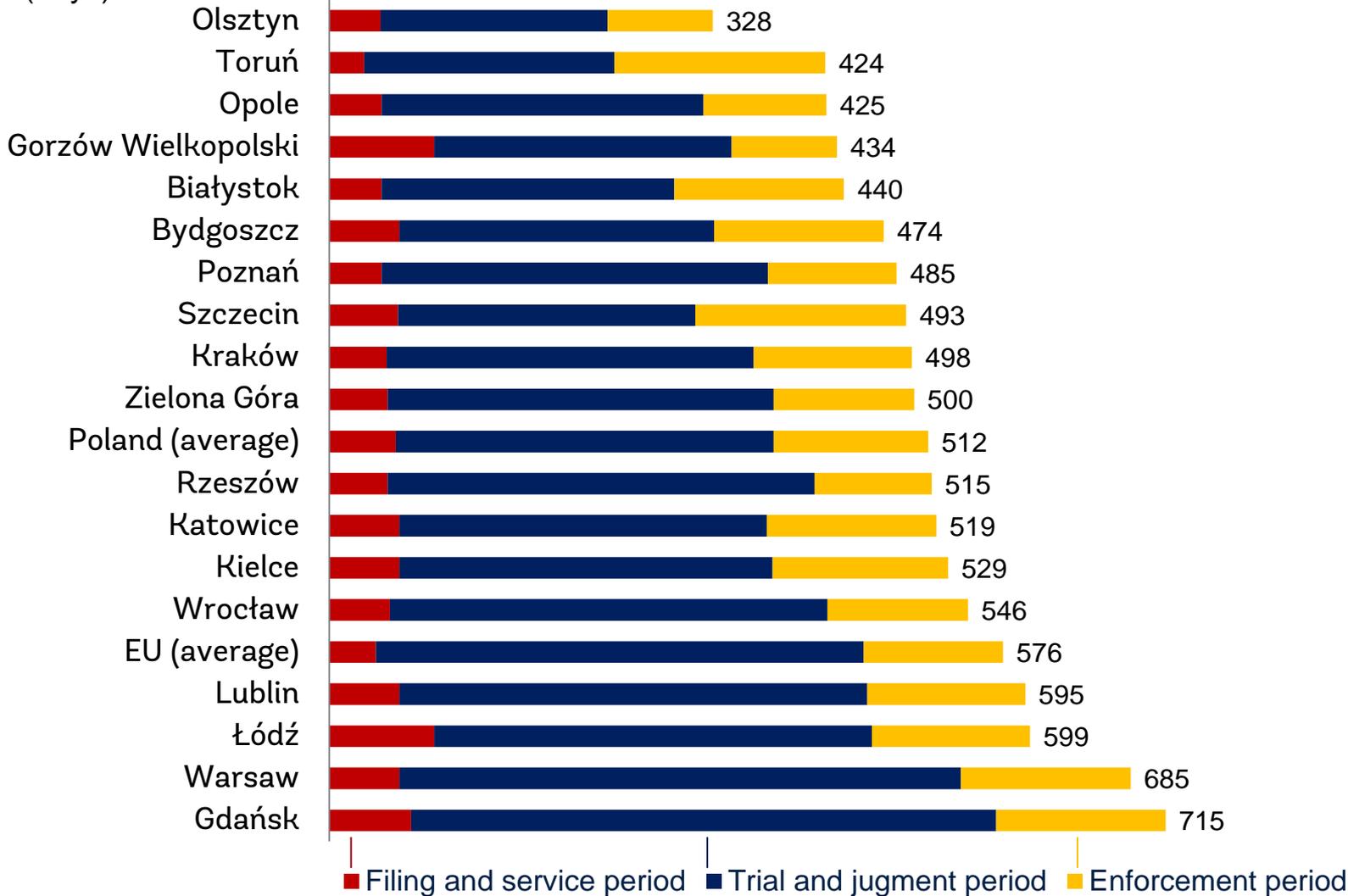
National level:

- Ministry of Justice
- National Council of the Judiciary

*The list includes the main ministries and departments but additional departments or ministries might be implicated.

Enforcing a contract is easiest in Olsztyn—where it takes 328 days and costs 15.3% of the claim

Time (days)



What can be improved: enforcing contracts

Recommendations

- Establish a mediation culture among judges and litigants
- Expand court automation
- Ensure effective financial and human resource allocation within the courts
- Institutionalize good practices across commercial divisions

Relevant Ministries/ Agencies*

Local level:

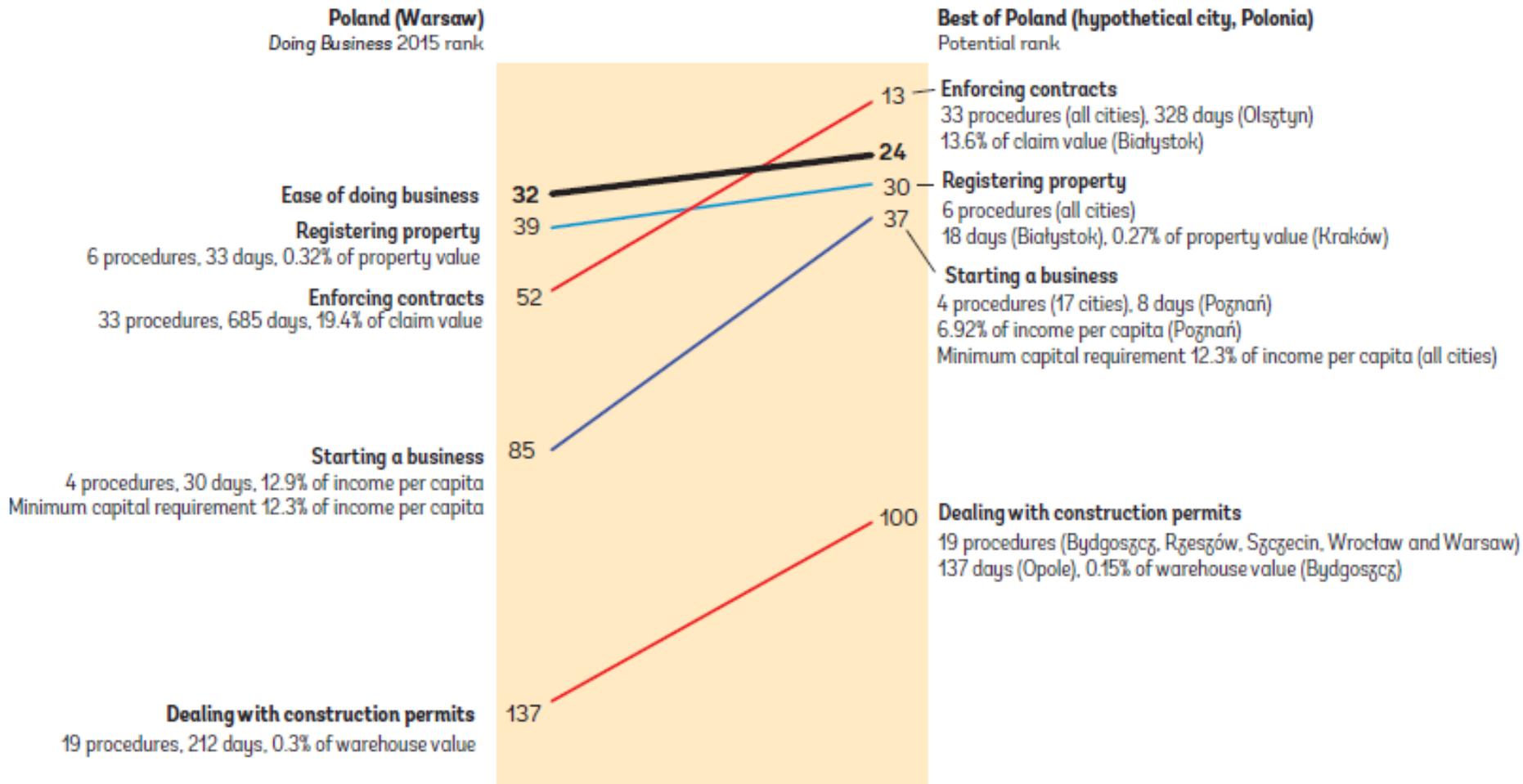
- Regional Court: Commercial division
- Mediation centers

National level:

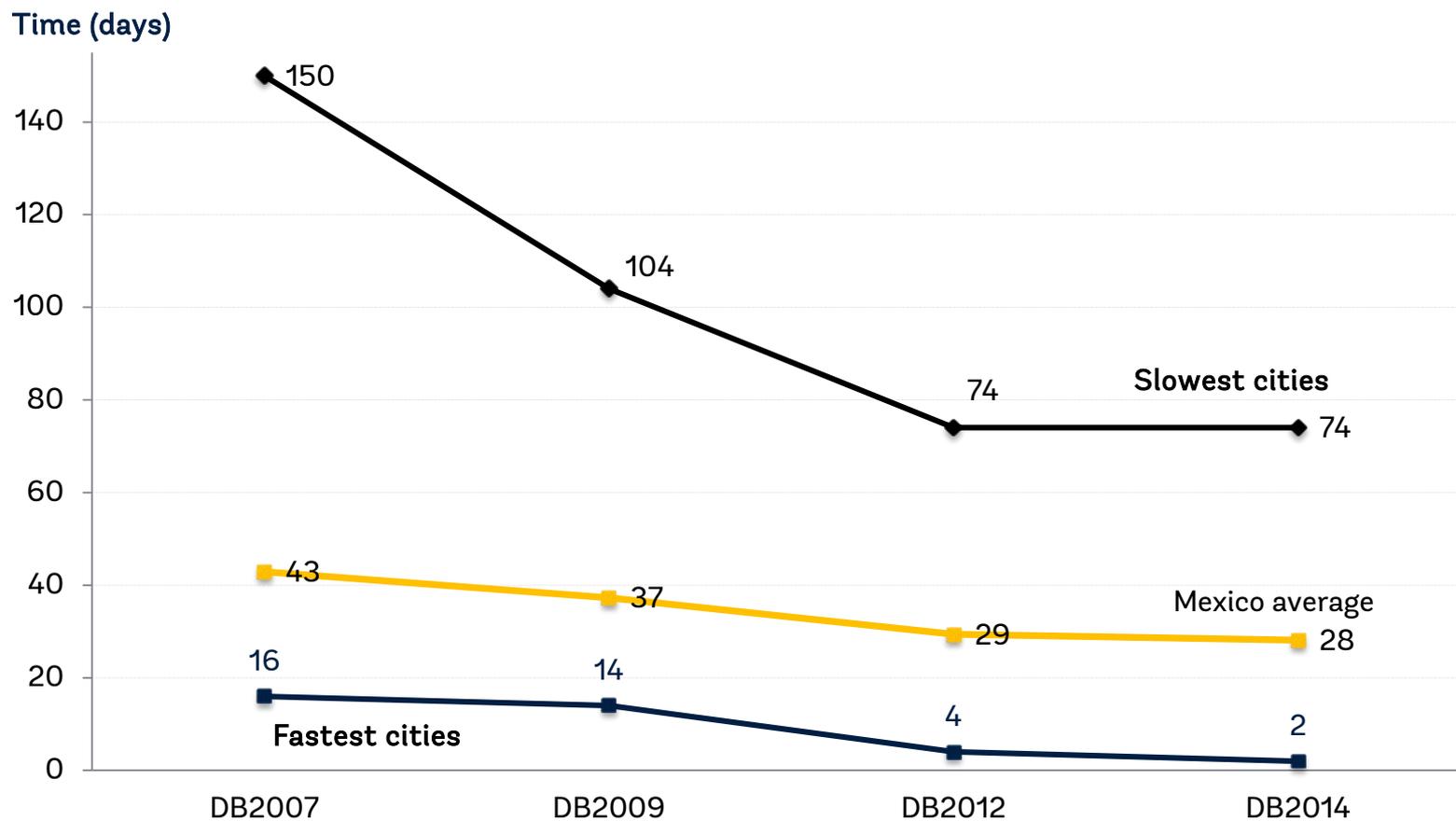
- Ministry of Justice
- National Council of the Judiciary
- Polish Council for the Alternative Methods of Disputes and Conflicts Resolution

*The list includes the main ministries and departments but additional departments or ministries might be implicated.

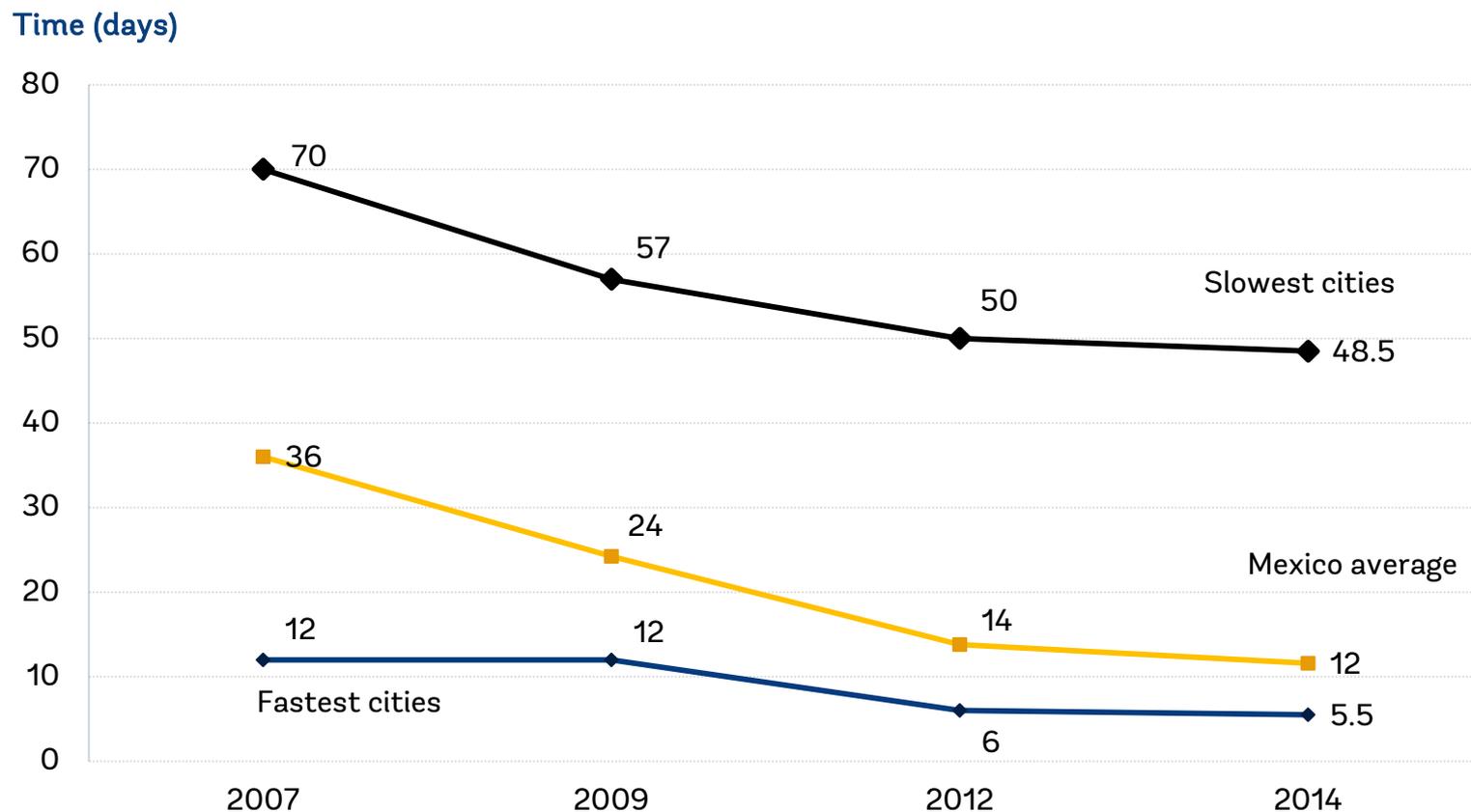
Significant potential for improvement by emulation of good practices found across Poland



In Mexico, the average time to register property decreased 50% in the slowest cities and by 88% in the fastest cities since 2007

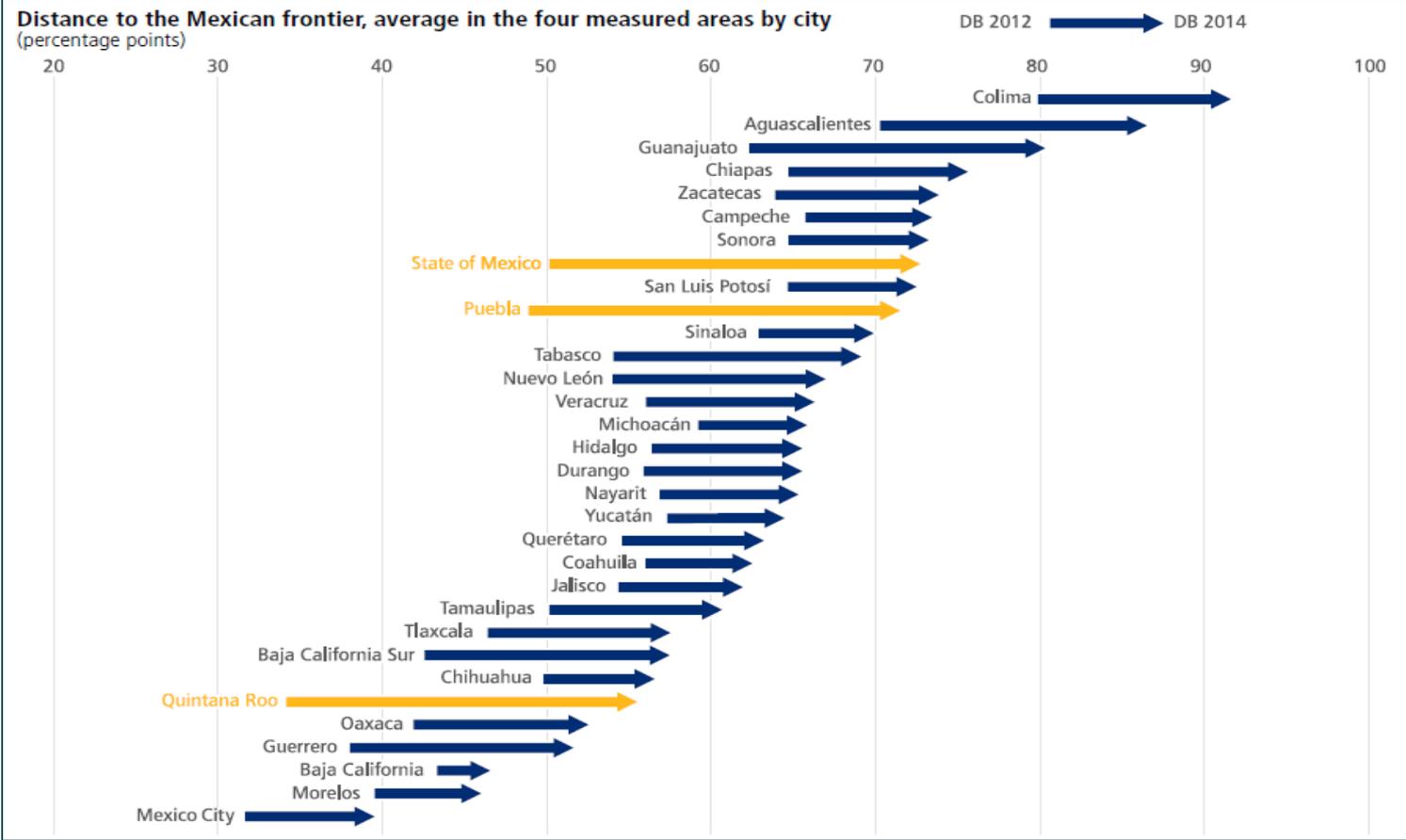


In Mexico, slower cities converge with faster cities: time to start a business



Subnational Doing Business measures progress over time

State of Mexico, Puebla and Quintana Roo are the states that most advanced towards the frontier of best regulatory practices from 2012 to 2014



Dziękuję!

www.doingbusiness.org/Poland

The screenshot shows the homepage of the Doing Business 2015 website. At the top, there is a navigation bar with the World Bank Group logo and the text "DOING BUSINESS MEASURING BUSINESS REGULATIONS". The main content area features a large banner for the "Doing Business 2015" report, highlighting key findings such as Singapore's top ranking and improvements in regulatory frameworks. To the right of the banner is a section titled "Explore Economy Data" with dropdown menus for selecting an economy and a topic. Below the banner, there is a section for "RECENT PUBLICATIONS" featuring the "Doing Business 2015" report cover and a brief description. On the right side, there are sections for "STAY CONNECTED!" with social media icons, "INFOGRAPHIC" with a "DOING BUSINESS:" label, and "Subnational Data" with a bar chart. At the bottom right, there is a "Reform Simulator" section. The footer of the page includes the World Bank Group logo and name.

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DOING BUSINESS
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NEW GLOBAL REPORT

Doing Business 2015
Going Beyond Efficiency

Doing Business 2015

- » Singapore is first on ease of doing business
- » Entrepreneurs in 123 economies saw improvements in regulatory framework
- » Ease of doing business ranking is now based on distance to frontier score
- » Coverage expanded to include 2 cities in 11 economies (PDF)
- » Expansion of the areas measured in the getting credit, protecting minority investors and resolving insolvency topics
- » View main findings and download the report

Explore Economy Data

Select an economy

-OR-

Select a topic

OTHER OPTIONS

- » Get all data
- » Use reform simulator

The **Doing Business** project provides objective measures of business regulations for local firms in 189 economies and selected cities at the subnational level. | [ABOUT US](#)

2015 Doing Business Report
[DOWNLOAD NOW](#)

RECENT PUBLICATIONS

Doing Business 2015
Doing Business 2015: Going Beyond Efficiency, a World Bank Group flagship publication, is the 12th in a series of annual reports measuring 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 189 economies—from Afghanistan to Zimbabwe—and over time.
[Read more](#)

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INFOGRAPHIC

DOING BUSINESS:

Subnational Data
Explore data for over 335 additional cities in more than 54 economies.

Distance to Frontier
See how economies have improved over time.

Reform Simulator

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