

A World Bank Group Flagship Report

16TH EDITION

DOING BUSINESS 2019

Training for Reform

Economy Profile
Dominica



Economy Profile of Dominica

*Doing Business 2019 Indicators
(in order of appearance in the document)*

Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company
Dealing with construction permits	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
Getting electricity	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
Registering property	Procedures, time and cost to transfer a property and the quality of the land administration system
Getting credit	Movable collateral laws and credit information systems
Protecting minority investors	Minority shareholders' rights in related-party transactions and in corporate governance
Paying taxes	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes
Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
Labor market regulation	Flexibility in employment regulation and aspects of job quality

About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of labor market regulation. Although *Doing Business* does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

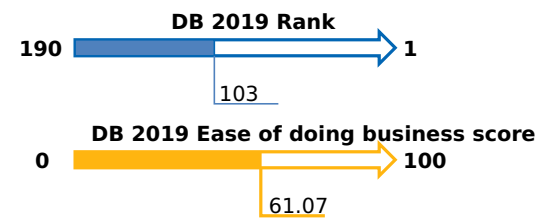
In addition, *Doing Business* offers detailed [subnational reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

The first *Doing Business* report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

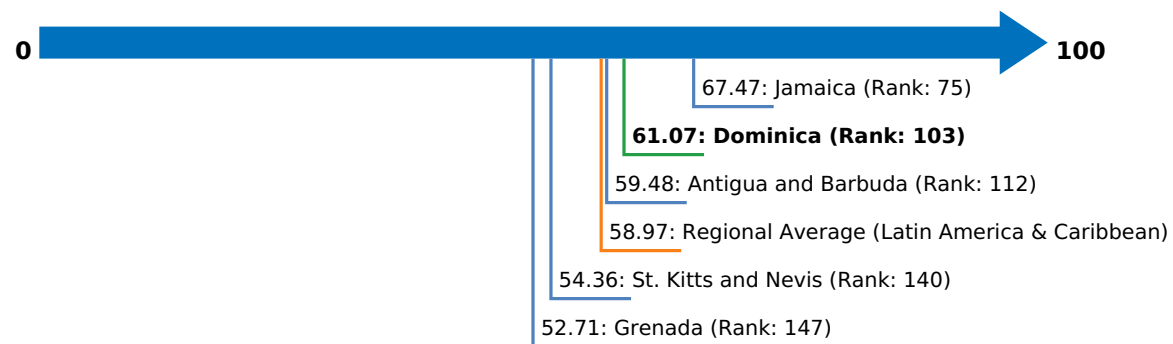
More about [Doing Business](#) (PDF, 5MB)

Ease of Doing Business in
Dominica

Region	Latin America & Caribbean
Income Category	Upper middle income
Population	73,925
City Covered	Roseau

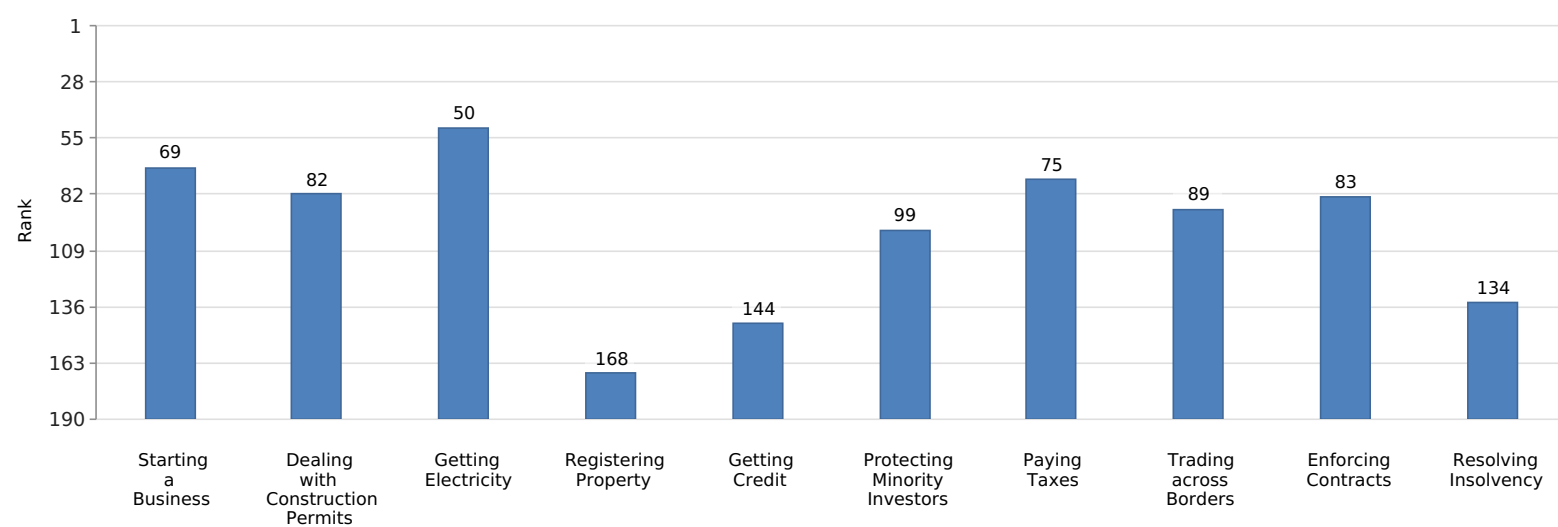


DB 2019 Ease of Doing Business Score

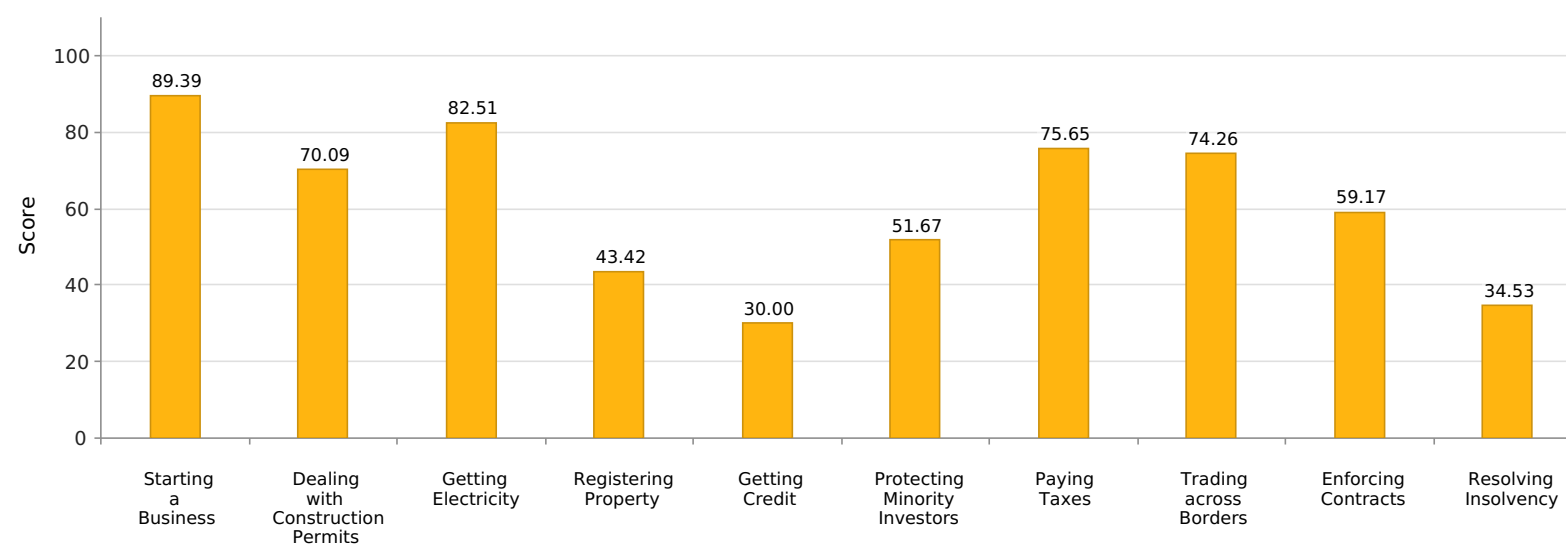


Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the *Doing Business* sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190.

Rankings on Doing Business topics - Dominica



Ease of Doing Business Score on Doing Business topics - Dominica



Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Procedures to legally start and formally operate a company (number)</p> <ul style="list-style-type: none"> • Preregistration (for example, name verification or reservation, notarization) • Registration in the economy's largest business city • Postregistration (for example, social security registration, company seal) • Obtaining approval from spouse to start a business or to leave the home to register the company • Obtaining any gender specific document for company registration and operation or national identification card <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day (2 procedures cannot start on the same day) • Procedures fully completed online are recorded as ½ day • Procedure is considered completed once final document is received • No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice <p>Paid-in minimum capital (% of income per capita)</p> <ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation 	<p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p> <p>The business:</p> <ul style="list-style-type: none"> - Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office. - Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - The entire office space is approximately 929 square meters (10,000 square feet). - Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita. - Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes. - Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita. - Does not qualify for investment incentives or any special benefits. - Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals. - Has a company deed that is 10 pages long. <p>The owners:</p> <ul style="list-style-type: none"> - Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old. - Are sane, competent, in good health and have no criminal record. - Are married and the marriage is monogamous and registered with the authorities. - Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

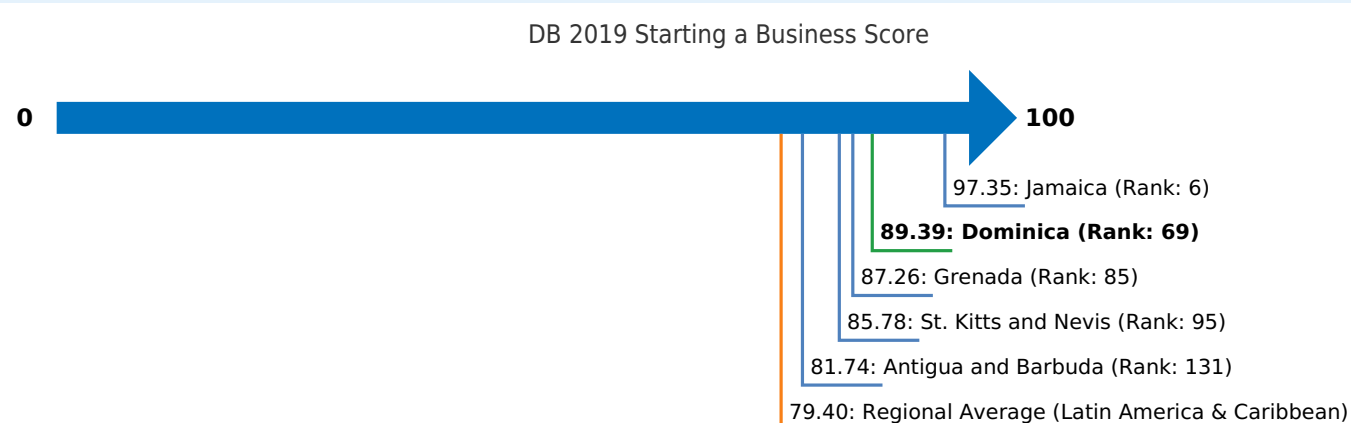
Starting a Business - Dominica

Standardized Company

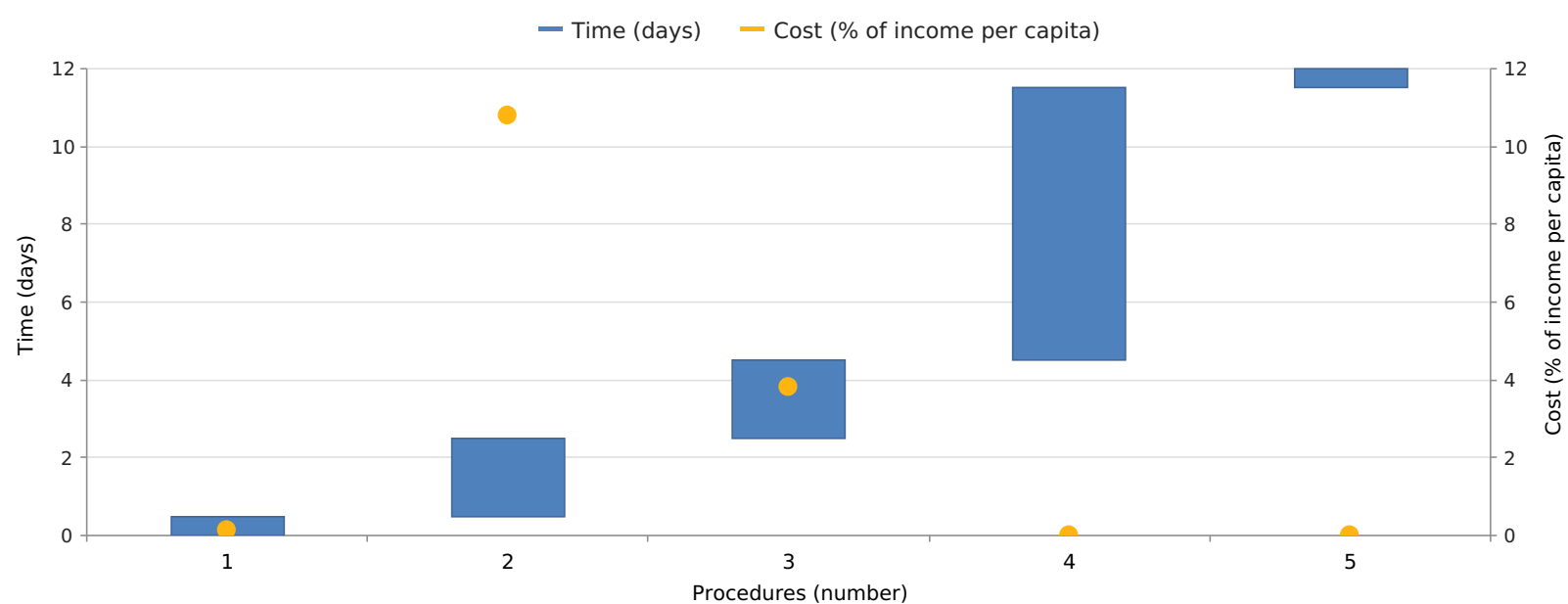
Legal form	Private Limited Liability Company
Paid-in minimum capital requirement	XCD 0
City Covered	Roseau

Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedure – Men (number)	5	8.2	4.9	1 (New Zealand)
Time – Men (days)	12	28.5	9.3	0.5 (New Zealand)
Cost – Men (% of income per capita)	14.7	37.8	3.1	0.0 (Slovenia)
Procedure – Women (number)	5	8.2	4.9	1 (New Zealand)
Time – Women (days)	12	28.5	9.3	0.5 (New Zealand)
Cost – Women (% of income per capita)	14.7	37.8	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	0.0	1.5	8.6	0.0 (117 Economies)

Figure - Starting a Business in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in Dominica - Procedure, Time and Cost

*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Details - Starting a Business in Dominica - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	Search for a company name and reserve the proposed name <i>Agency : Companies and Intellectual Property Office</i> It takes less than a day to reserve the company name. The entrepreneur can check whether the company name is available by searching in the online database.	Less than one day (online procedure)	XCD 25
2	Lawyer verifies affidavit <i>Agency : Lawyer</i> Documents required for incorporation are the articles of incorporation and the notice of directors. By-laws are also required by the Company Act, but they can be created later.	2 days	XCD 2,125
3	Registration with the Commercial Registry <i>Agency : Companies and Intellectual Property Office</i> Company receives the certificate of incorporation.	2 days	XCD 750 (registration fee)
4	Apply for tax payer identification number and register for VAT <i>Agency : Tax Authority</i> To obtain the tax payer identification number the entrepreneur needs to present the certificate of registration and fill a simple form. The tax authority issues the identification number immediately. In addition, if annual income exceeds EC 250,000, the company needs to register for VAT. Two different forms are submitted at the same time for both registrations. The Companies and Intellectual Property Office is charged with collecting the information for the company taxpayer identification number. The Company Office is linked by the online registration system with the Inland Revenue Division. The company is issued a tax number upon incorporation of a company.	7 days	no charge
5	Register as employer with Social Security Institute <i>Agency : Social Security Institute</i> The employer (a) registers as an employer and receives a social security employer number; and (b) verifies the social security cards of each employee at the time of employment.	Less than one day (online procedure)	no charge

⇒ Takes place simultaneously with previous procedure.

Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018. [See the methodology for more information](#)

What the indicators measure	Case study assumptions
<p>Procedures to legally build a warehouse (number)</p> <ul style="list-style-type: none"> Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates Submitting all required notifications and receiving all necessary inspections Obtaining utility connections for water and sewerage Registering and selling the warehouse after its completion <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> Does not include time spent gathering information Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule Procedure is considered completed once final document is received No prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> Official costs only, no bribes <p>Building quality control index (0-15)</p> <ul style="list-style-type: none"> Quality of building regulations (0-2) Quality control before construction (0-1) Quality control during construction (0-3) Quality control after construction (0-3) Liability and insurance regimes (0-2) Professional certifications (0-4) 	<p>To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.</p> <p>The construction company (BuildCo):</p> <ul style="list-style-type: none"> Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts. Owns the land on which the warehouse will be built and will sell the warehouse upon its completion. <p>The warehouse:</p> <ul style="list-style-type: none"> Will be used for general storage activities, such as storage of books or stationery. Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita. Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures. Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements). <p>The water and sewerage connections:</p> <ul style="list-style-type: none"> Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built. Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day. Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

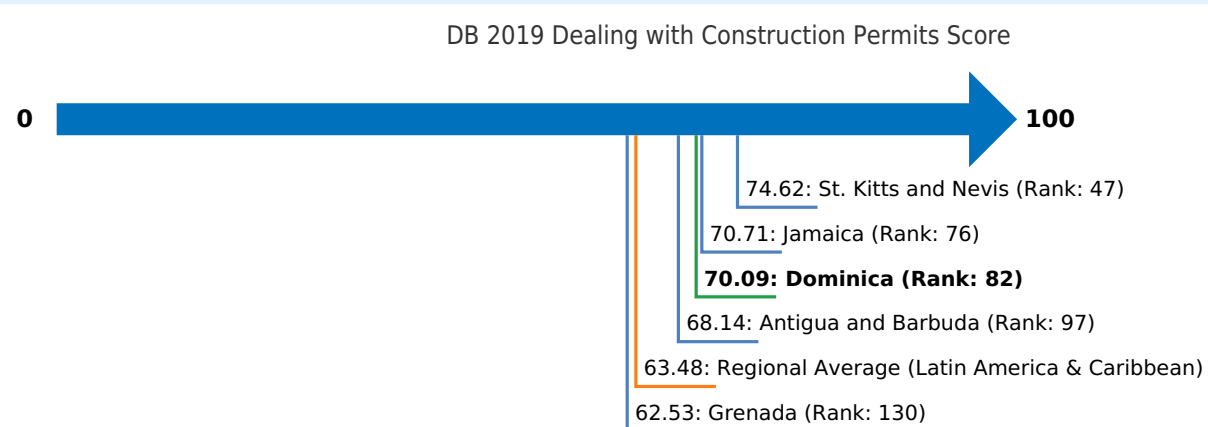
Dealing with Construction Permits - Dominica

Standardized Warehouse

Estimated value of warehouse	XCD 984,754.40
City Covered	Roseau

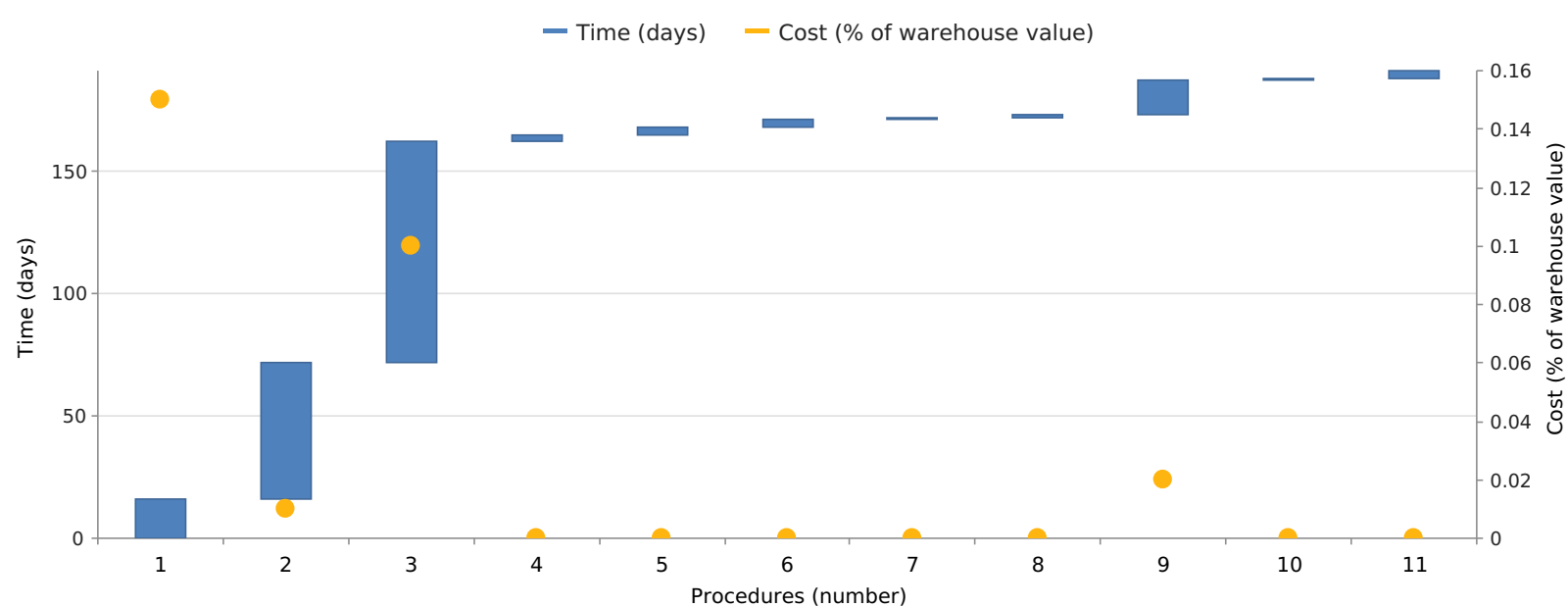
Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	11	15.4	12.7	None in 2017/18
Time (days)	191	199.0	153.1	None in 2017/18
Cost (% of warehouse value)	0.3	3.2	1.5	None in 2017/18
Building quality control index (0-15)	8.0	8.9	11.5	15.0 (3 Economies)

Figure - Dealing with Construction Permits in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

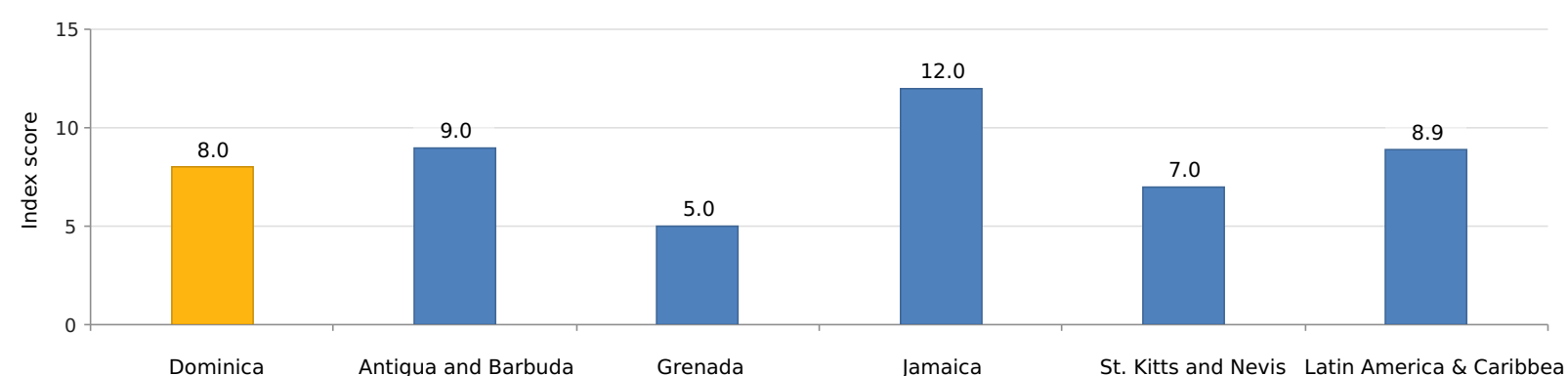
Figure - Dealing with Construction Permits in Dominica - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Dominica and comparator economies - Measure of Quality



Details - Dealing with Construction Permits in Dominica - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	Obtain a survey plan of the land <i>Agency : Licensed land surveyor</i> One of the requirements to request and obtain the Planning Permission of Building works is to submit a survey plan of the land.	16 days	XCD 1,500
2	Obtain outline planning permission <i>Agency : Development and Planning Corporation (D & PC)</i> The Development and Planning Corporation outlines the planning permission to BuildCo, to the latter can initiate the building permit request.	56 days	XCD 50
3	Obtain planning permission <i>Agency : Development and Planning Corporation (D & PC)</i> With the outline issued, BuildCo. obtains the planning permission from the Development and Planning Corporation.	90 days	XCD 1,000
4	Request and receive inspection of building setout with approved setbacks <i>Agency : Development and Planning Corporation (D & PC)</i> According to the Building Code, nine inspections should be conducted during the construction process. Each inspection occurs within 48 hours of being requested by the contractor for review. However, only three occur in practice. There are no fees for the inspections.	3 days	no charge
5	Request and receive inspection of substructure (foundation) <i>Agency : Development and Planning Corporation (D & PC)</i> BuildCo. receives an inspection that will review the foundations.	3 days	no charge
6	Request and receive inspection of framing for roof <i>Agency : Development and Planning Corporation (D & PC)</i> BuildCo. receives an inspection that will review the structures for the completion of roof.	3 days	no charge
7	Request water and sewage connection <i>Agency : Dominica Water and Sewage Company (DOWASCO)</i> Once the inspections during construction are done, BuildCo. can request the water and sewage services to the utility company.	1 day	no charge
8	Receive water and sewage inspection <i>Agency : Dominica Water and Sewage Company (DOWASCO)</i> After the request is made, BuildCo. receives the inspection for both services.	1 day	no charge
9	Obtain water and sewage connection <i>Agency : Dominica Water and Sewage Company (DOWASCO)</i> Once both inspections are cleared, BuildCo. receive both services.	14 days	XCD 240
10	Receive final inspection <i>Agency : Physical Planning Division</i> With all these installation in place, BuildCo. is apt to receive a final inspection by the Physical Planning Division.	1 day	no charge
11	Obtain certificate of occupancy <i>Agency : Physical Planning Division</i> Finally, BuildCo. obtains the certificate of occupancy.	3 days	no charge

→ Takes place simultaneously with previous procedure.

Details - Dealing with Construction Permits in Dominica - Measure of Quality

	Answer	Score
Building quality control index (0-15)		8.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		1.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
Quality control during construction index (0-3)		1.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections at various phases.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are not always done in practice during construction; Mandatory inspections are done most of the time during construction.	0.0
Quality control after construction index (0-3)		2.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency; Final inspection is not required by law.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection does not always occur in practice.	0.0
Liability and insurance regimes index (0-2)		0.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	No party is held liable under the law.	0.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
Professional certifications index (0-4)		2.0
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	Minimum number of years of experience; University degree in architecture or engineering; There are no specific requirements.	1.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

Minimum number of years of experience; 1.0
University degree in engineering, construction or construction management;
There are no specific requirements.

Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Procedures to obtain an electricity connection (number)</p> <ul style="list-style-type: none"> Submitting all relevant documents and obtaining all necessary clearances and permits Completing all required notifications and receiving all necessary inspections Obtaining external installation works and possibly purchasing material for these works Concluding any necessary supply contract and obtaining final supply <p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> Is at least 1 calendar day Each procedure starts on a separate day Does not include time spent gathering information Reflects the time spent in practice, with little follow-up and no prior contact with officials <p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> Official costs only, no bribes Value added tax excluded <p>The reliability of supply and transparency of tariffs index (0-8)</p> <ul style="list-style-type: none"> Duration and frequency of power outages (0-3) Tools to monitor power outages (0-1) Tools to restore power supply (0-1) Regulatory monitoring of utilities' performance (0-1) Financial deterrents limiting outages (0-1) Transparency and accessibility of tariffs (0-1) <p>Price of electricity (cents per kilowatt-hour)*</p> <ul style="list-style-type: none"> Price based on monthly bill for commercial warehouse in case study <p><i>*Note: Doing Business measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.</i></p>	<p>To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.</p> <p>The warehouse:</p> <ul style="list-style-type: none"> Is owned by a local entrepreneur and is used for storage of goods. Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway. Is a new construction and is being connected to electricity for the first time. Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet). <p>The electricity connection:</p> <ul style="list-style-type: none"> Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW). Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road. Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base. <p>The monthly consumption:</p> <ul style="list-style-type: none"> It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh. If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier. Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

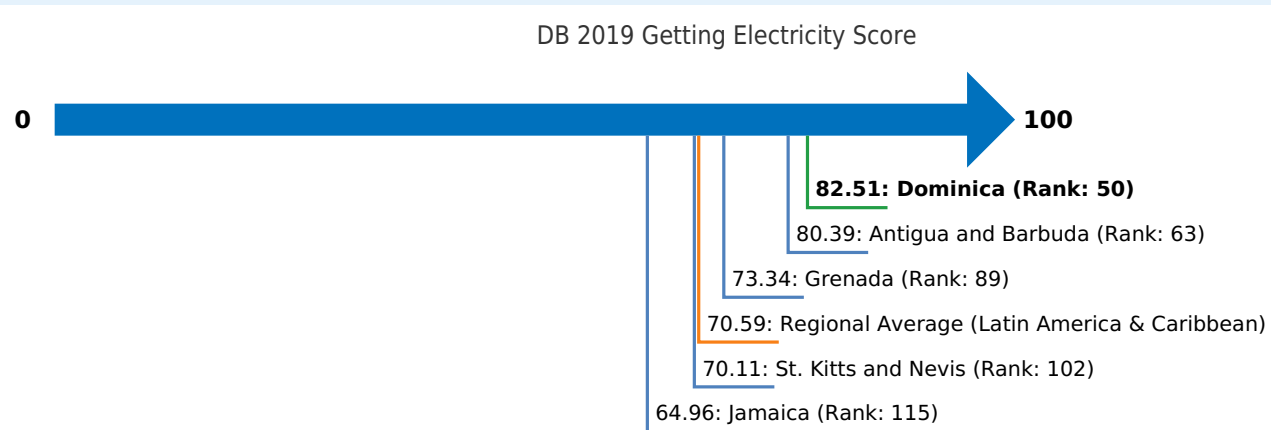
Getting Electricity - Dominica

Standardized Connection

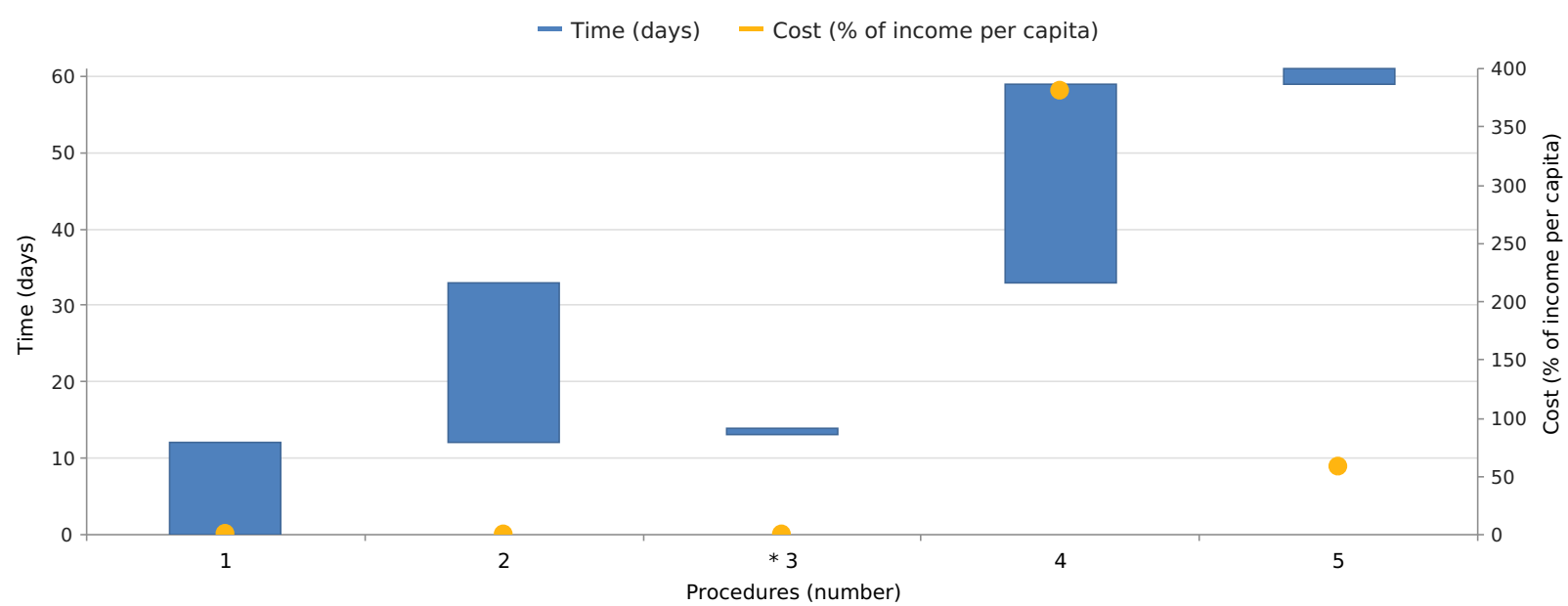
Price of electricity (US cents per kWh)	34.5
Name of utility	Dominica Electricity Services Ltd. (DOMLEC)
City Covered	Roseau

Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	5	5.5	4.5	3 (25 Economies)
Time (days)	61	65.5	77.2	18 (3 Economies)
Cost (% of income per capita)	439.5	946.3	64.2	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	7	4.3	7.5	8.0 (27 Economies)

Figure - Getting Electricity in Dominica and comparator economies - Ranking and Score

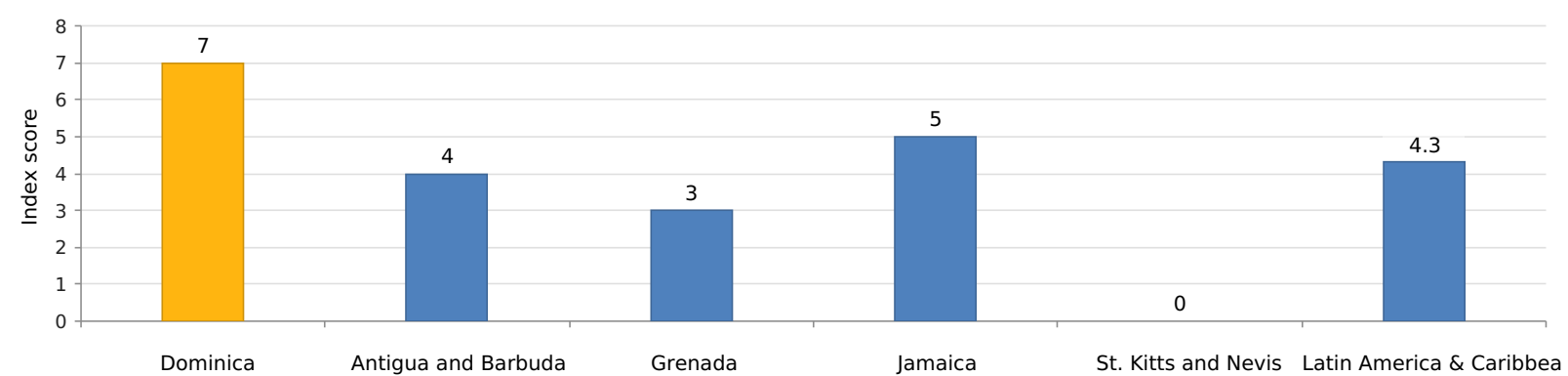


Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

Figure - Getting Electricity in Dominica - Procedure, Time and Cost

*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Getting Electricity in Dominica and comparator economies - Measure of Quality

Details - Getting Electricity in Dominica - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Obtain internal wiring inspection and electrical certificate</p> <p><i>Agency</i> : Electrical division of the Ministry of Public Utilities, Energy and Ports</p> <p>The customer informs the electrical division of the Ministry of Public Utilities, Energy and Ports, a government agency, that the internal wiring is complete and request an inspection of the internal wiring. After the completion of this inspection, the electrical division will issue an electrical certificate. The purpose of the document is to certify that the internal wiring was done according to the standards.</p> <p>In the past, Dominica followed the UK standards. Since March 2007, it is using EU standards. To get the certificate, the customer must submit an application with the specification of the electricity needs. The electrical division then sends their inspectors who perform 3 tests. The certificate is issued if all tests results are ok. If the building does not pass the inspection, a new one is conducted and the process is repeated until the tests are passed. Inspections are scheduled on a district basis.</p>	12 calendar days	XCD 100
2	<p>Submit application to DOMLEC and await estimate</p> <p><i>Agency</i> : Dominica Electricity Services Ltd. (DOMLEC)</p> <p>The client will need to apply for an electricity connection with Dominica Electricity Services (DOMLEC).</p>	21 calendar days	XCD 0
⇒ 3	<p>Receive external inspection by DOMLEC</p> <p><i>Agency</i> : Dominica Electricity Services Ltd. (DOMLEC)</p> <p>A few days after the application has been received, the electricity company, Dominica Electricity Services (DOMLEC) will inspect the location to assess the cost and feasibility of connection.</p>	1 calendar day	XCD 0
4	<p>Await completion of external works by utility</p> <p><i>Agency</i> : Contracting Company</p> <p>DOMLEC is in charge of the final connection (meter installation), but the actual construction is normally outsourced to private contractors.</p> <p>If an upgrade is necessary (like in this case) the client will need to bear all the costs.</p> <p>The time to complete the works includes the time for DOMLEC to obtain the necessary excavation permit.</p>	26 calendar days	XCD 75,000
5	<p>Get external works certified and receive meter installation and final connection</p> <p><i>Agency</i> : Dominica Electricity Services Ltd. (DOMLEC)</p> <p>Once the private contractor has completed the external connection works DOMLEC comes on site for final supply turn on.</p>	2 calendar days	XCD 11,462.41

⇒ Takes place simultaneously with previous procedure.

Details - Getting Electricity in Dominica - Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	7
Total duration and frequency of outages per customer a year (0-3)	3
System average interruption duration index (SAIDI)	0.6
System average interruption frequency index (SAIFI)	0.3
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	5.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	0
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	No
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	http://www.domlec.dm/index.php/our-company/news/24-domlec-tariff-sheet
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Registering Property

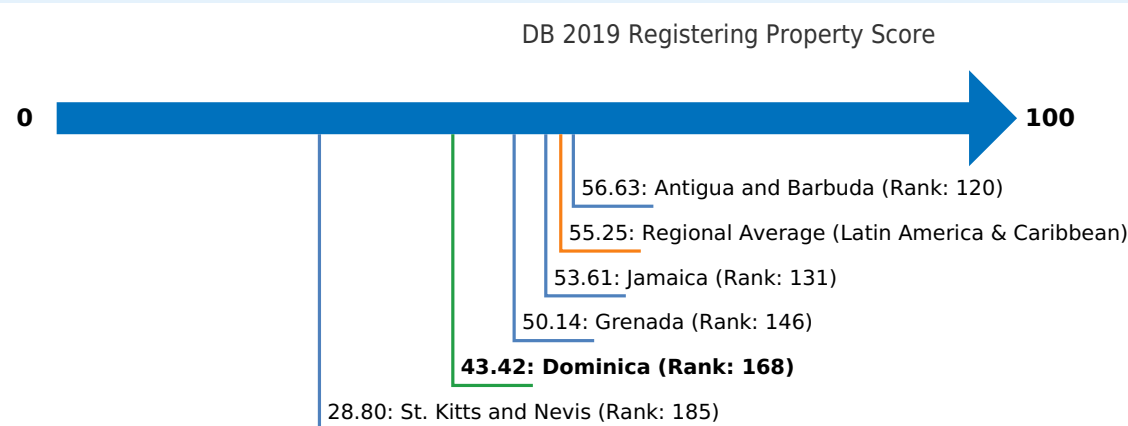
This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Procedures to legally transfer title on immovable property (number)</p> <ul style="list-style-type: none"> • Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes) • Registration procedures in the economy's largest business city. • Postregistration procedures (for example, filling title with municipality) 	<p>To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.</p> <p>The parties (buyer and seller):</p> <ul style="list-style-type: none"> - Are limited liability companies (or the legal equivalent). - Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Are 100% domestically and privately owned. - Have 50 employees each, all of whom are nationals. - Perform general commercial activities.
<p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule • Procedure is considered completed once final document is received • No prior contact with officials 	<p>The property (fully owned by the seller):</p> <ul style="list-style-type: none"> - Has a value of 50 times income per capita, which equals the sale price. - Is fully owned by the seller. - Has no mortgages attached and has been under the same ownership for the past 10 years. - Is registered in the land registry or cadastre, or both, and is free of title disputes. - Is located in a periurban commercial zone, and no rezoning is required. - Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety. - Will not be subject to renovations or additional construction following the purchase. - Has no trees, natural water sources, natural reserves or historical monuments of any kind. - Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required. - Has no occupants, and no other party holds a legal interest in it.
<p>Cost required to complete each procedure (% of property value)</p> <ul style="list-style-type: none"> • Official costs only (such as administrative fees, duties and taxes). • Value Added Tax, Capital Gains Tax and illicit payments are excluded 	
<p>Quality of land administration index (0-30)</p> <ul style="list-style-type: none"> • Reliability of infrastructure index (0-8) • Transparency of information index (0-6) • Geographic coverage index (0-8) • Land dispute resolution index (0-8) • Equal access to property rights index (-2-0) 	

Registering Property - Dominica

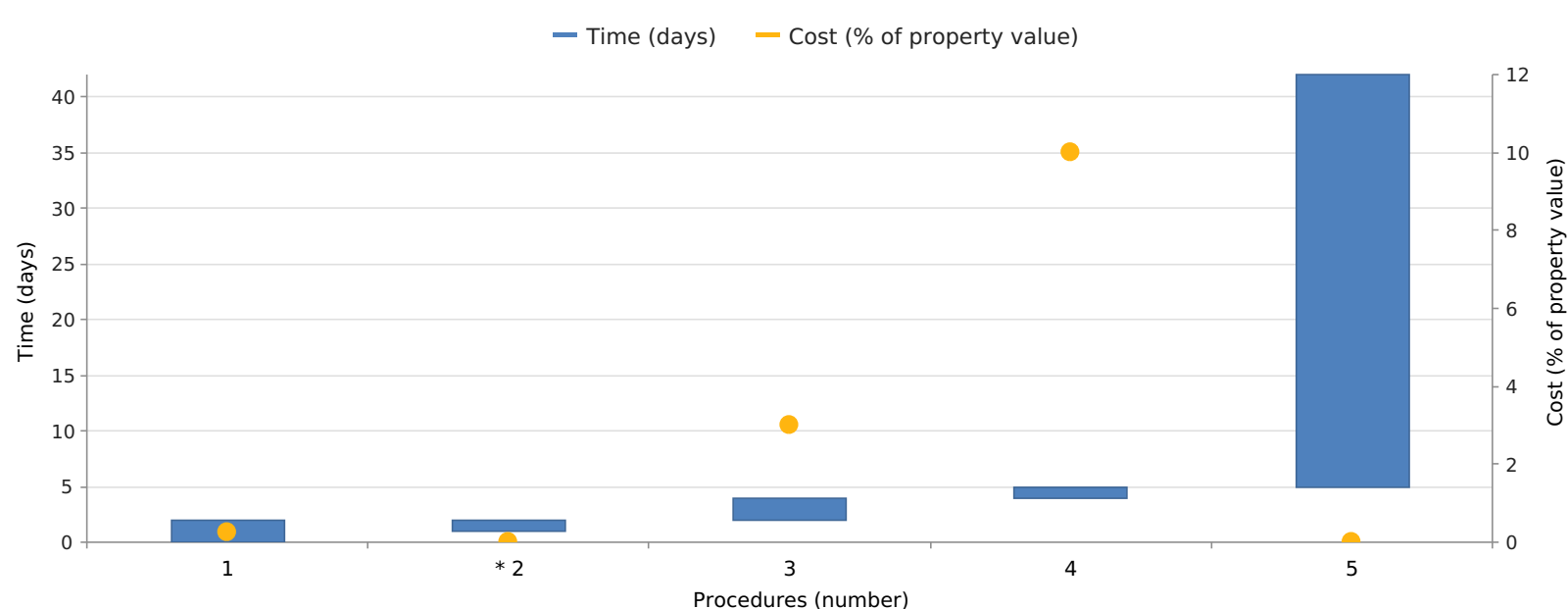
Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	5	7.2	4.7	1 (4 Economies)
Time (days)	42	63.3	20.1	1 (New Zealand)
Cost (% of property value)	13.3	5.8	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	4.5	11.9	23.0	None in 2017/18

Figure - Registering Property in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

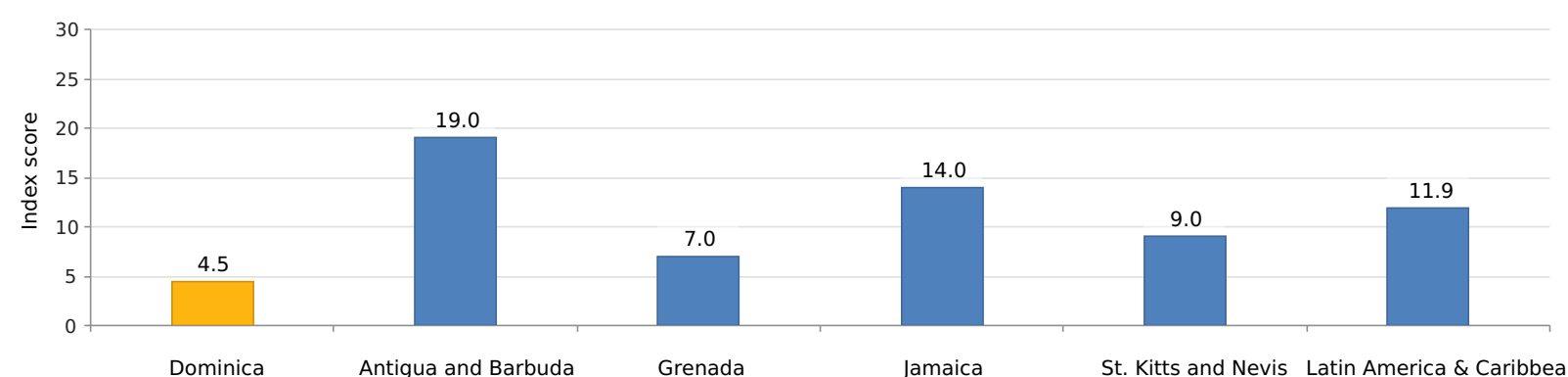
Figure - Registering Property in Dominica - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Dominica and comparator economies - Measure of Quality



Details - Registering Property in Dominica - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	Obtain survey plan and valuation report from licensed surveyor <i>Agency : Licensed Surveyor</i> The survey plan and valuation must be produced by a certified surveyor. If there are no changes in the property the surveyor simply copies the previous survey plan without an actual visit to the site and provides a valuation. This can take around 2 days depending on the availability of the surveyor. The surveyor fees are standardized according to the Dominica Land Surveyors Association scale of fees for the copying of lot plans and they include a valuation fee.	2 days	XCD 2,500
⇒ 2	Lawyer searches the title at the Land Registry <i>Agency : Land Registry</i> A search is conducted at the Registry of Titles of any Certificate of Title to determine whether there are any encumbrances or matters affecting it. The records at the Land Registry are recorded by number in the computer system, while the original certificates are kept in paper form. The XCD 5 stamp fee is for an adhesive stamp that can be obtained at a post office, but normally a lawyer would have a supply of these for this purpose.	1 day	XCD 5
3	Lawyer prepares Memorandum of Transfer <i>Agency : Lawyer</i> It is mandatory for companies in such a transaction to be represented by a lawyer. For the preparation of the Memorandum of Transfer, the vendor presents his proof of payment (receipts) of government fees to the Treasury Office and brings his duplicate original of the deed, including the copy of the survey plan. A 15% VAT on legal services was introduced in 2006.	2 days	XCD 29,542.63; (3% of property value (lawyer's fees))
4	Payment of government fees and Stamp Duty at the Accountant General's Office "Treasury Office" <i>Agency : Accountant General's Office "Treasury Office"</i> The lawyer pays all fees on behalf of the clients, which are the Assurance Fund, the Stamp Duty paid by the purchaser, the vendor's fee which is 2.5% of the property value and the judicial fees. Fees are paid by the purchaser, except the Vendor's fee (2.5%). The fees are paid and the Memorandum of Transfer is embossed with proof of payment of these fees at time of payment.	1 day	XCD 98,475.44; (1% of property value (assurance fund) + 4% property value (Purchaser's Stamp Duty) + 2.5% property value (Vendor's fee) + 2.5% property value (judicial fee))
5	Memorandum of Transfer is filed with the Registry <i>Agency : Land Registry</i> The Registrar vets the Memorandum of Transfer and signs the Certificate of Title. The Certificate of Title is issued in duplicate, one remains at the Registry and the other is issued to the registered proprietor or his/her lawyer. Documentation required by the Registry includes: (i) Memorandum of Transfer (embossed); (ii) 3 copies of the Survey Plan; (iii) valuation; (iv) copies of the ID of the vendor and the purchaser; and (v) the duplicate of the Vendor's Certificate of Title which is cancelled upon new Certificate of Title being issued to the Purchaser.	37 days	no additional cost

⇒ Takes place simultaneously with previous procedure.

Details - Registering Property in Dominica - Measure of Quality

	Answer	Score
Reliability of infrastructure index (0-8)		0.0
What is the institution in charge of immovable property registration?	The Land Titles Registry	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Paper	0.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	No	0.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Lands and Surveys Department	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Paper	0.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	No	0.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Separate databases	0.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	No	0.0
Transparency of information index (0-6)		1.5
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Anyone who pays the official fee	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, in person	0.0
Link for online access:		
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, in person	0.0
Link for online access:		
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2017:		
Who is able to consult maps of land plots in the largest business city?	Anyone who pays the official fee	0.5
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	No	0.0
Link for online access:		
Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		

Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
--	----	-----

Contact information:

Geographic coverage index (0-8)
0.0

Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
--	----	-----

Are all privately held land plots in the largest business city formally registered at the immovable property registry?	No	0.0
--	----	-----

Are all privately held land plots in the economy mapped?	No	0.0
--	----	-----

Are all privately held land plots in the largest business city mapped?	No	0.0
--	----	-----

Land dispute resolution index (0-8)
3.0

Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	No	0.0
--	----	-----

Is the system of immovable property registration subject to a state or private guarantee?	Yes	0.5
---	-----	-----

Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	Yes	0.5
---	-----	-----

Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
--	-----	-----

If yes, who is responsible for checking the legality of the documents?	Registrar; Notary; Lawyer;	
--	----------------------------	--

Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
--	-----	-----

If yes, who is responsible for verifying the identity of the parties?	Registrar; Notary; Lawyer;	
---	----------------------------	--

Is there a national database to verify the accuracy of identity documents?	No	0.0
--	----	-----

For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	High Court of Justice	
--	-----------------------	--

How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 2 and 3 years	1.0
---	-----------------------	-----

Are there any statistics on the number of land disputes in the first instance?	No	0.0
--	----	-----

Number of land disputes in the largest business city in 2017:

Equal access to property rights index (-2-0)
0.0

Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
---	-----	--

Do married men and married women have equal ownership rights to property?	Yes	0.0
---	-----	-----

Getting Credit

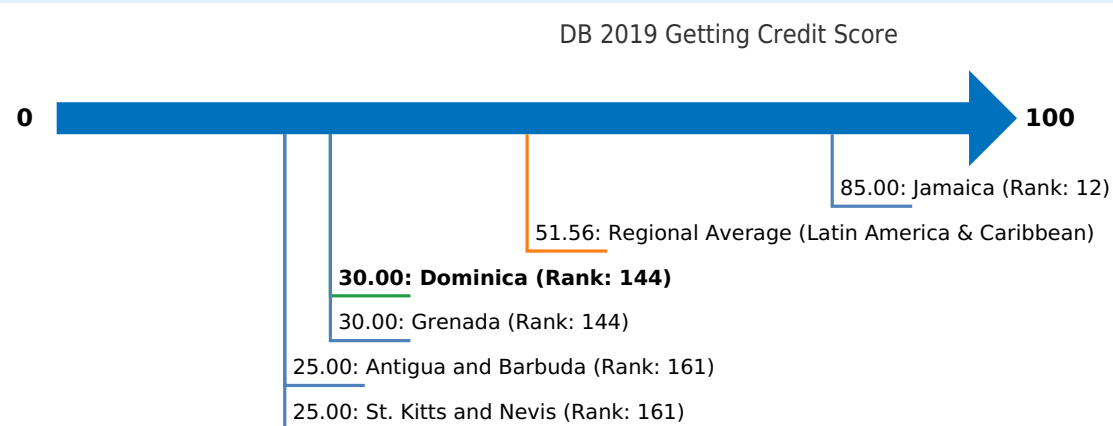
This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Strength of legal rights index (0-12)</p> <ul style="list-style-type: none"> • Rights of borrowers and lenders through collateral laws (0-10) • Protection of secured creditors' rights through bankruptcy laws (0-2) <p>Depth of credit information index (0-8)</p> <ul style="list-style-type: none"> • Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8) <p>Credit bureau coverage (% of adults)</p> <ul style="list-style-type: none"> • Number of individuals and firms listed in largest credit bureau as a percentage of adult population <p>Credit registry coverage (% of adults)</p> <ul style="list-style-type: none"> • Number of individuals and firms listed in credit registry as a percentage of adult population 	<p><i>Doing Business</i> assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.</p> <p>In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.</p> <p>Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:</p> <ul style="list-style-type: none"> - ABC is a domestic limited liability company (or its legal equivalent). - ABC has up to 50 employees. - ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - Both ABC and BizBank are 100% domestically owned. <p>The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).</p> <p>In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.</p>

Getting Credit - Dominica

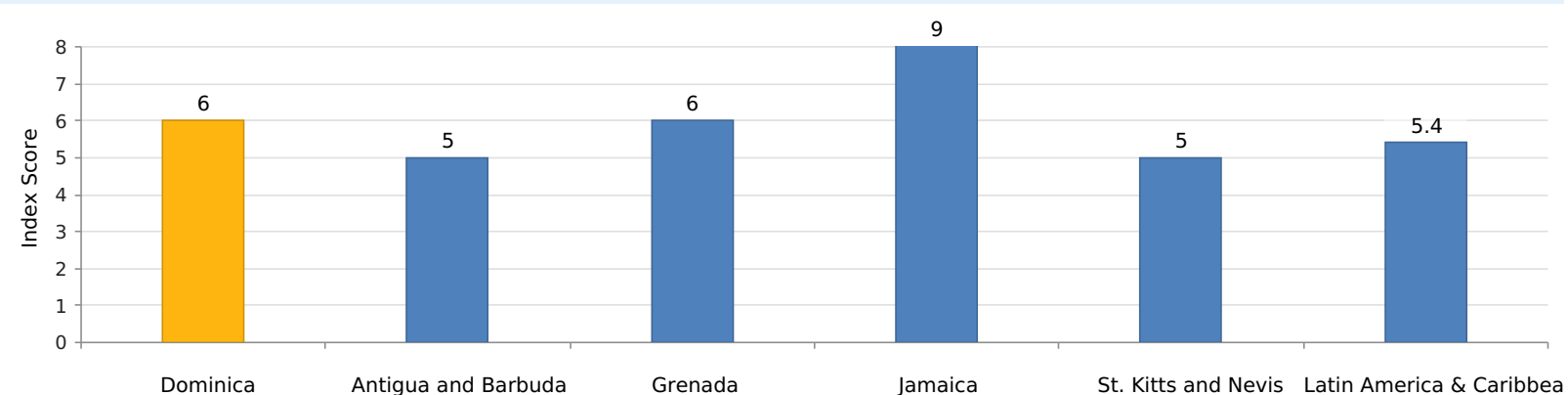
Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	6	5.4	6.1	12 (5 Economies)
Depth of credit information index (0-8)	0	4.9	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	0	14.6	21.8	100.0 (4 Economies)
Credit bureau coverage (% of adults)	0	44.5	65.3	100.0 (25 Economies)

Figure - Getting Credit in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

Figure - Legal Rights in Dominica and comparator economies



Details - Legal Rights in Dominica

Strength of legal rights index (0-12)

6

Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?

No

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

Yes

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

Yes

May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?

Yes

Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?

Yes

Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?

No

Does a notice-based collateral registry exist in which all functional equivalents can be registered?

No

Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?

No

Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?

Yes

Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?

No

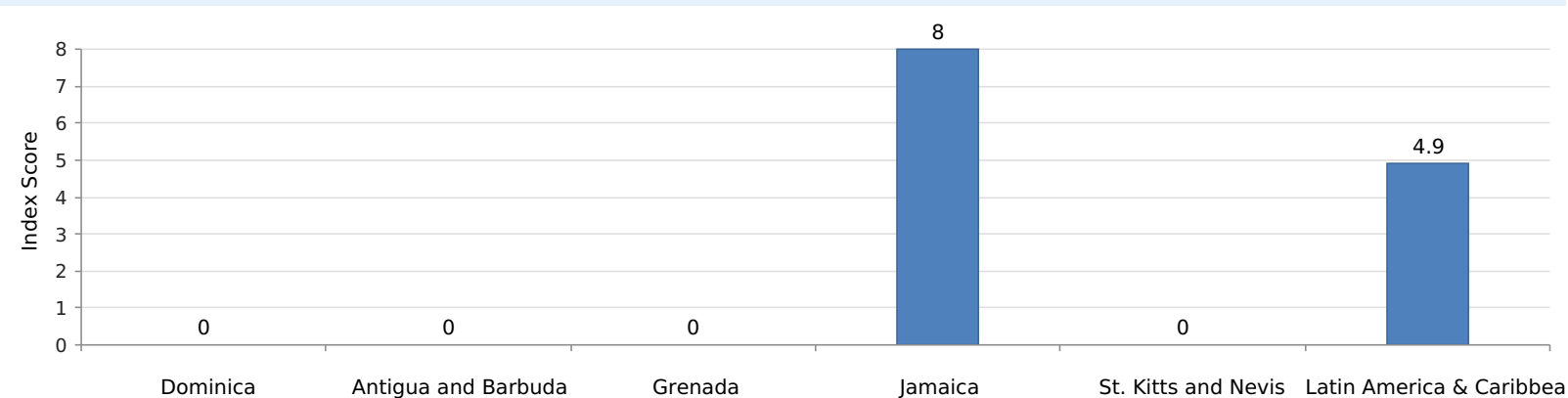
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?

No

Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?

Yes

Figure - Credit Information in Dominica and comparator economies



Details - Credit Information in Dominica

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	No	No	0
Are both positive and negative credit data distributed?	No	No	0
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	No	No	0
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	No	No	0
Are data on loan amounts below 1% of income per capita distributed?	No	No	0
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	No	No	0
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	No	No	0
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	No	No	0
Total Score ("yes" to either public bureau or private registry)			0

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	0	0
Number of firms	0	0
Total	0	0
Percentage of adult population	0	0

Protecting Minority Investors

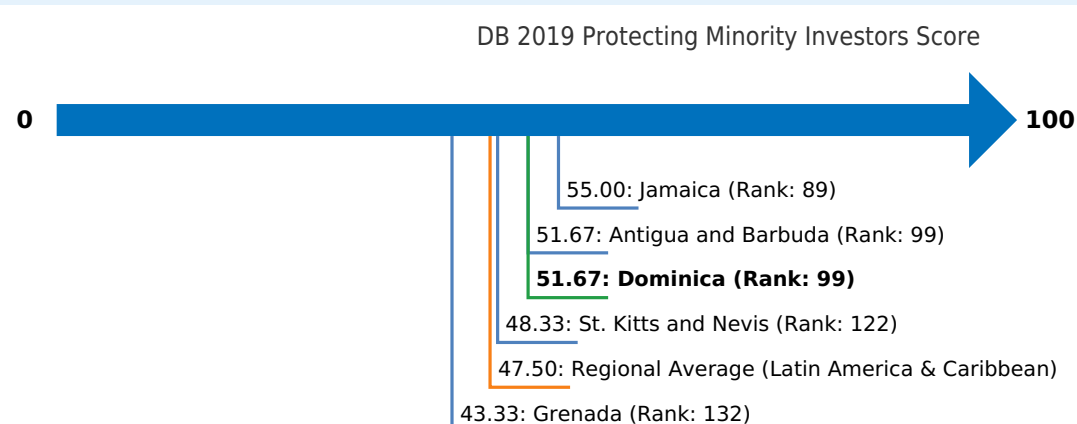
This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<ul style="list-style-type: none"> • Extent of disclosure index (0-10): Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions • Extent of director liability index (0-10): Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction) • Ease of shareholder suits index (0-10): Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses • Extent of conflict of interest regulation index (0-10): Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices • Extent of shareholder rights index (0-10): Shareholders' rights and role in major corporate decisions • Extent of ownership and control index (0-10): Governance safeguards protecting shareholders from undue board control and entrenchment • Extent of corporate transparency index (0-10): Corporate transparency on ownership stakes, compensation, audits and financial prospects • Extent of shareholder governance index (0-10): Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices • Strength of minority investor protection index (0-10): Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices 	<p>To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.</p> <p>The business (Buyer):</p> <ul style="list-style-type: none"> - Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders. - Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law. - Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members. - Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory. - Is a manufacturing company with its own distribution network. <p>The transaction involves the following details:</p> <ul style="list-style-type: none"> - Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board. - Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores. - Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value. - The proposed transaction is part of the company's principal activity and is not outside the authority of the company. - Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently. - The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.

Protecting Minority Investors - Dominica

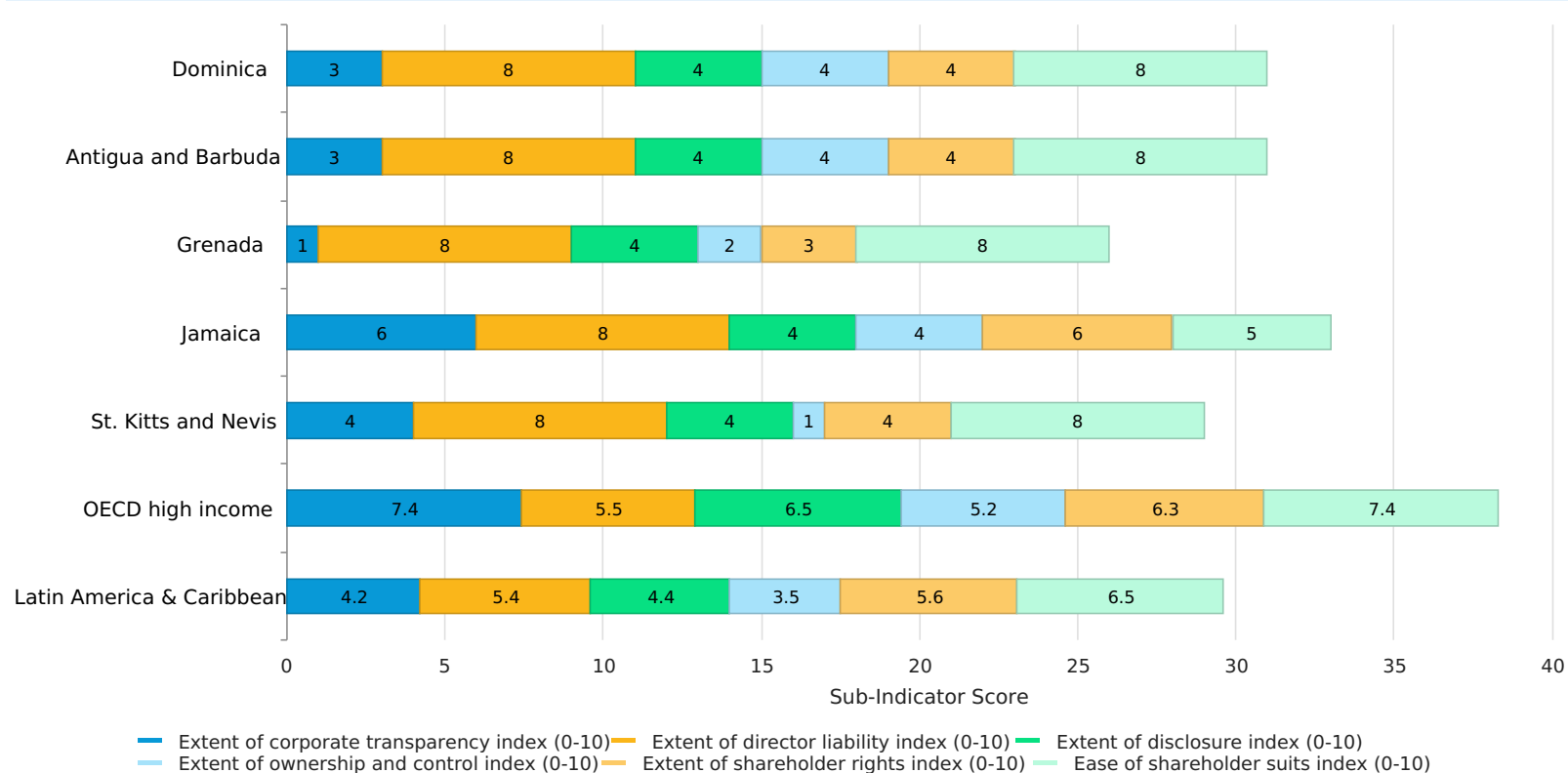
Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	4.0	4.1	6.5	10 (13 Economies)
Extent of director liability index (0-10)	8.0	5.2	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	8.0	6.7	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	4.0	5.4	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	4.0	3.2	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	3.0	3.9	7.6	10 (6 Economies)

Figure - Protecting Minority Investors in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in Dominica and comparator economies - Measure of Quality



Details - Protecting Minority Investors in Dominica - Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-10)		6.7
Extent of disclosure index (0-10)		4.0
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders or board of directors including interested parties	1.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction only	1.0
Must Buyer immediately disclose the transaction to the public? (0-2)	No disclosure obligation	0.0
Extent of director liability index (0-10)		8.0
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Liable if unfair or prejudicial	2.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if unfair or prejudicial	2.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if negligently concluded	1.0
Ease of shareholder suits index (0-10)		8.0
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	No	0.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	Yes	1.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-10)		3.7
Extent of shareholder rights index (0-10)		4.0
Does the sale of 51% of Buyer's assets require shareholder approval?	No	0.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	No	0.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0

Must shareholders approve the election and dismissal of the external auditor?	Yes	1.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	No	0.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	No	0.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	No	0.0
Extent of ownership and control index (0-10)		4.0
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	Yes	1.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Must Buyer pay declared dividends within a maximum period set by law?	No	0.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	No	0.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
Extent of corporate transparency index (0-10)		3.0
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	No	0.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	No	0.0
Must Buyer disclose the compensation of individual managers?	No	0.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	Yes	1.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	No	0.0
Assuming that Buyer is a limited company, must members meet at least once a year?	No	0.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	No	0.0

Paying Taxes

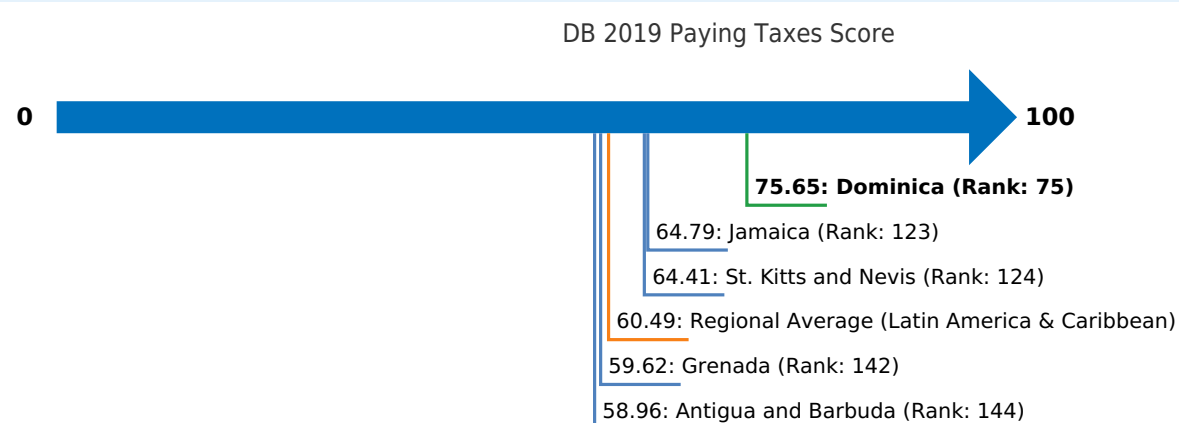
This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017). [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)</p> <ul style="list-style-type: none"> • Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax) • Method and frequency of filing and payment <p>Time required to comply with 3 major taxes (hours per year)</p> <ul style="list-style-type: none"> • Collecting information, computing tax payable • Preparing separate tax accounting books, if required • Completing tax return, filing with agencies • Arranging payment or withholding <p>Total tax and contribution rate (% of commercial profits)</p> <ul style="list-style-type: none"> • Profit or corporate income tax • Social contributions, labor taxes paid by employer • Property and property transfer taxes • Dividend, capital gains, financial transactions taxes • Waste collection, vehicle, road and other taxes <p>Postfiling Index</p> <ul style="list-style-type: none"> • Time to comply with a VAT refund (hours) • Time to obtain a VAT refund (weeks) • Time to comply with a corporate income tax correction (hours) • Time to complete a corporate income tax correction (weeks) 	<p>Using a case scenario, <i>Doing Business</i> records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.</p> <p>To make data comparable across economies, several assumptions are used:</p> <ul style="list-style-type: none"> - TaxpayerCo is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government. <p>The VAT refund process:</p> <ul style="list-style-type: none"> - In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017. <p>The corporate income tax audit process:</p> <ul style="list-style-type: none"> - An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

Paying Taxes - Dominica

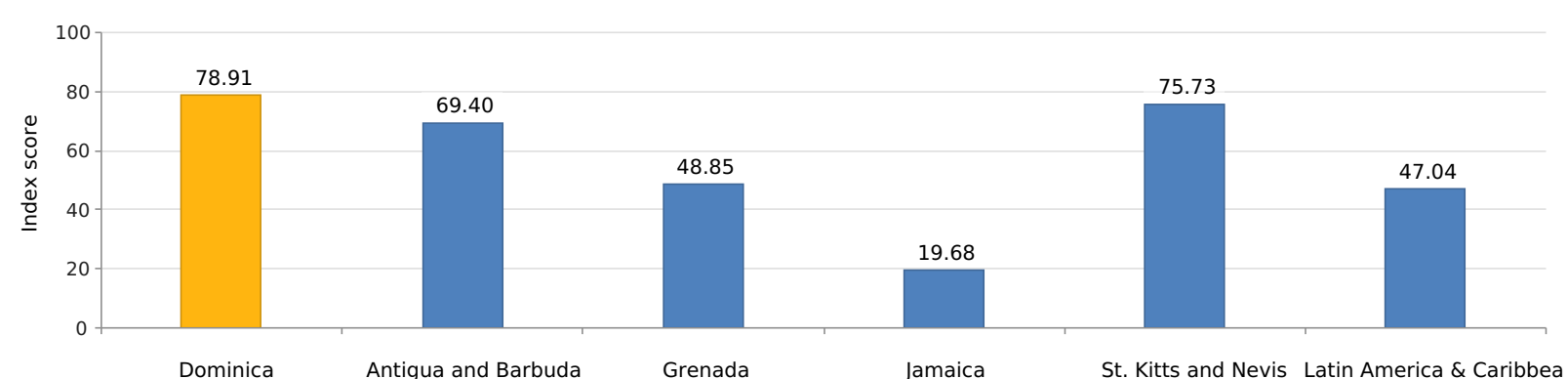
Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Payments (number per year)	37	27.1	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	117	330.0	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	32.6	46.7	39.8	26.1% (32 Economies)
Postfiling index (0-100)	78.91	47.04	84.41	None in 2017/18

Figure - Paying Taxes in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in Dominica and comparator economies - Measure of Quality



Details - Paying Taxes in Dominica

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Corporate income tax	5.0		15.0	25%	taxable profits	21.76	
Employer paid - Social security contributions	12.0		48.0	7%	gross salaries	7.90	
Property transfer tax	1.0			2.5%	property value	1.52	
Municipal tax	2.0			1.25%	assessed property value	1.22	
Business license	1.0				fixed fee	0.19	
Vehicle license	1.0				fixed fee	0.05	
Tax on check transactions	1.0				per check	0.01	
Value added tax (VAT)	12.0		54.0	15%	value added	0.00	not included
Stamp duty on contracts	1.0			varies	type of contract	0.00	small amount
Fuel tax	1.0				included in the fuel price	0.00	small amount
Employee paid - Social security contributions	0.0	jointly		5.5%	gross salaries	0.00	withheld
Totals	37		117			32.6	

Details - Paying Taxes in Dominica - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	21.8
Labor tax and contributions (% of profit)	7.9
Other taxes (% of profit)	3

Details - Paying Taxes in Dominica - Measure of Quality

	Answer	Score
Postfiling index (0-100)		78.91
VAT refunds		
Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	Yes	
Restrictions on VAT refund process	Carry forward for 6 months	
Percentage of cases exposed to a VAT audit (%)	75% - 100%	
Is there a mandatory carry forward period?	Yes	
Time to comply with VAT refund (hours)	14.5	71
Time to obtain a VAT refund (weeks)	31.9	44.63
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	1.5	100
Time to complete a corporate income tax correction (weeks)	No tax audit per case study scenario	100

Notes: Names 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.

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.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure

Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as $22 \times 24 = 528$ hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

Cost: Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

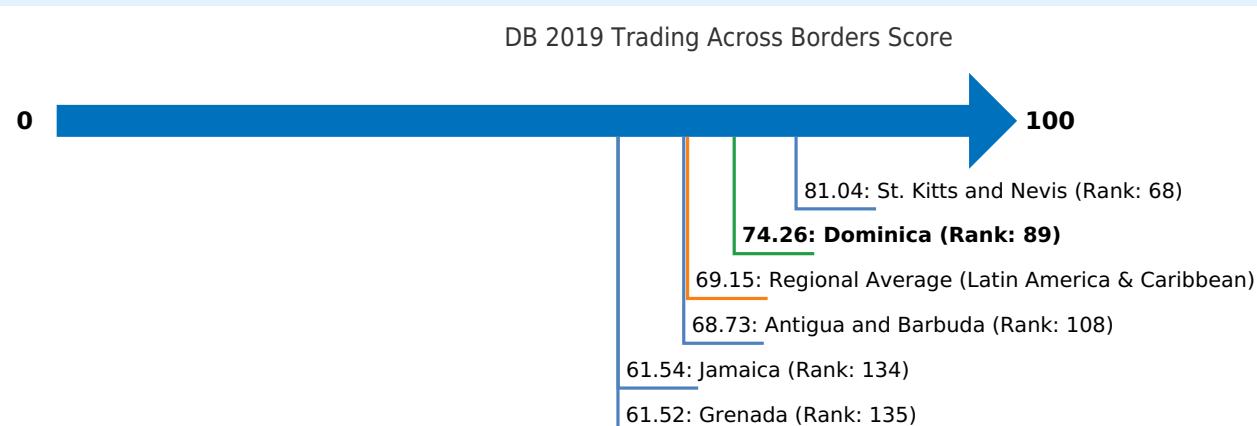
Assumptions of the case study:

- For all 190 economies covered by *Doing Business*, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.
- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.
- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.
- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.
- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.
- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

Trading across Borders - Dominica

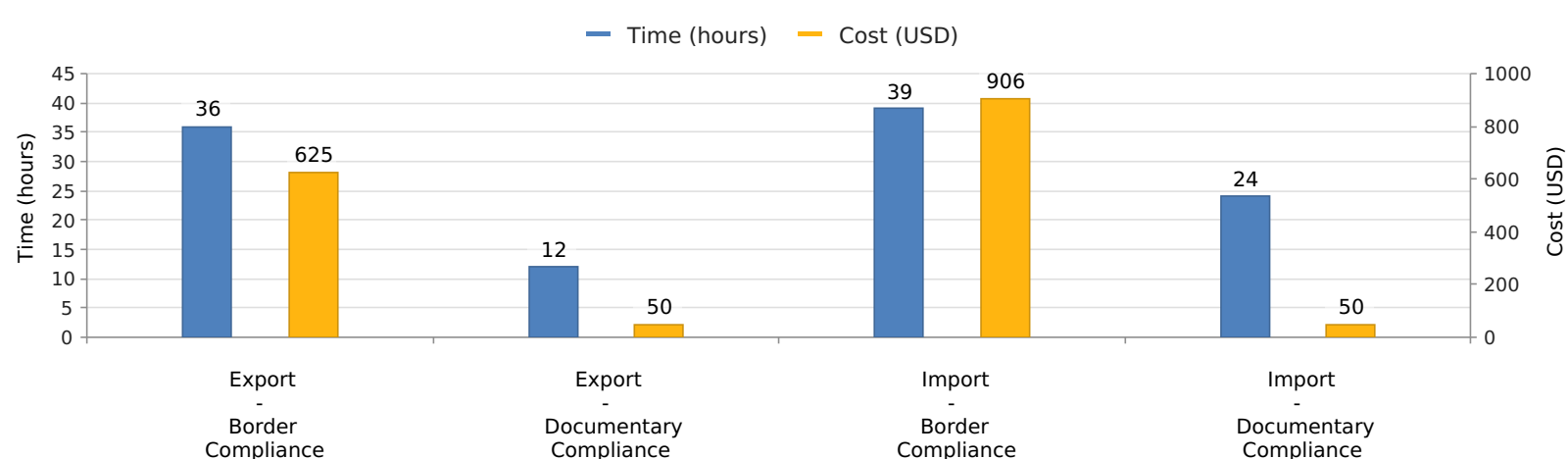
Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	36	61.9	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	625	529.8	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	12	52.5	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	50	110.4	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	39	62.6	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	906	647.2	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	24	79.1	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	50	116.3	24.9	0 (30 Economies)

Figure - Trading across Borders in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in Dominica - Time and Cost



Details - Trading across Borders in Dominica

Characteristics	Export	Import
Product	HS 34 : Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and dental preparations with a basis of plaster	HS 8708: Parts and accessories of motor vehicles
Trade partner	Jamaica	United States
Border	Roseau port	Roseau port
Distance (km)	4	4
Domestic transport time (hours)	1	1
Domestic transport cost (USD)	50	50

Details - Trading across Borders in Dominica - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	3.0	175.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	36.0	450.0
Import: Clearance and inspections required by customs authorities	24.0	455.6
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	39.3	450.0

Details - Trading across Borders in Dominica - Trade Documents

Export	Import
Bill of lading	Bill of lading
Commercial invoice	Commercial invoice
Customs export declaration	Customs import declaration
Insurance certificate	Value declaration form
Packing list	Insurance certificate
CARICOM certificate of origin	Packing list
SOLAS certificate	Import certificate
	Certificate of origin
	Technical standards certificate
	SOLAS certificate

Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Time required to enforce a contract through the courts (calendar days)</p> <ul style="list-style-type: none"> • Time to file and serve the case • Time for trial and to obtain the judgment • Time to enforce the judgment <p>Cost required to enforce a contract through the courts (% of claim)</p> <ul style="list-style-type: none"> • Attorney fees • Court fees • Enforcement fees <p>Quality of judicial processes index (0-18)</p> <ul style="list-style-type: none"> • Court structure and proceedings (-1-5) • Case management (0-6) • Court automation (0-4) • Alternative dispute resolution (0-3) 	<p>The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.</p> <p>To make the data comparable across economies, <i>Doing Business</i> uses several assumptions about the case:</p> <ul style="list-style-type: none"> - The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. - The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality. - The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater. - The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000. - The seller requests the pretrial attachment of the defendant's movable assets to secure the claim. - The dispute on the quality of the goods requires an expert opinion. - The judge decides in favor of the seller; there is no appeal. - The seller enforces the judgment through a public sale of the buyer's movable assets.

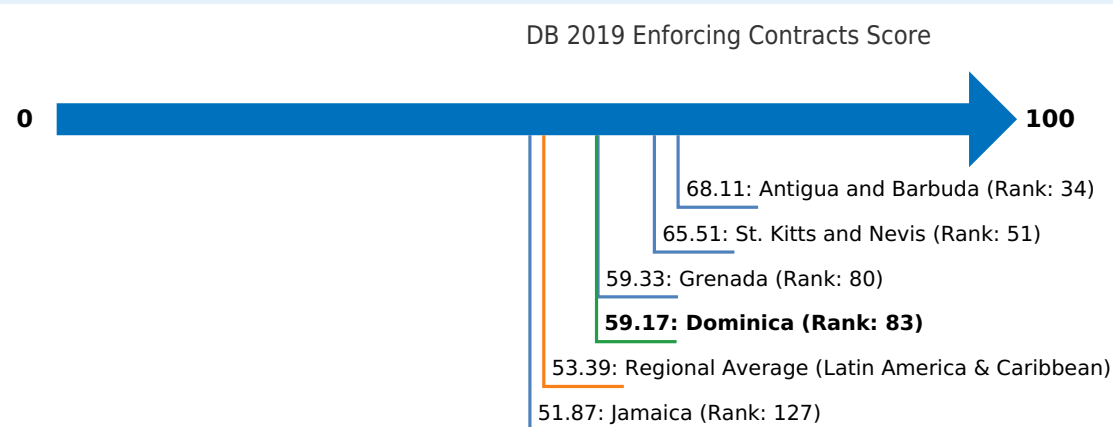
Enforcing Contracts - Dominica

Standardized Case

Claim value	XCD 37,312
Court name	Eastern Caribbean Supreme Court, Roseau High Court of Justice
City Covered	Roseau

Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Time (days)	681	768.5	582.4	None in 2017/18
Cost (% of claim value)	36.0	31.4	21.2	None in 2017/18
Quality of judicial processes index (0-18)	11.5	8.5	11.5	None in 2017/18

Figure - Enforcing Contracts in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in Dominica - Time and Cost

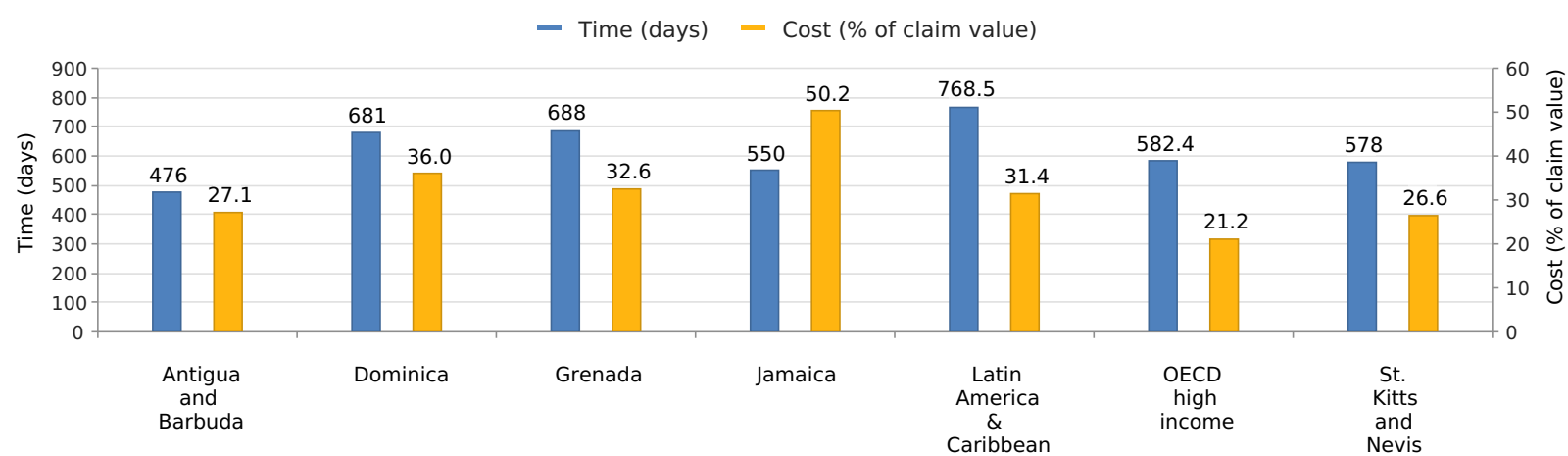
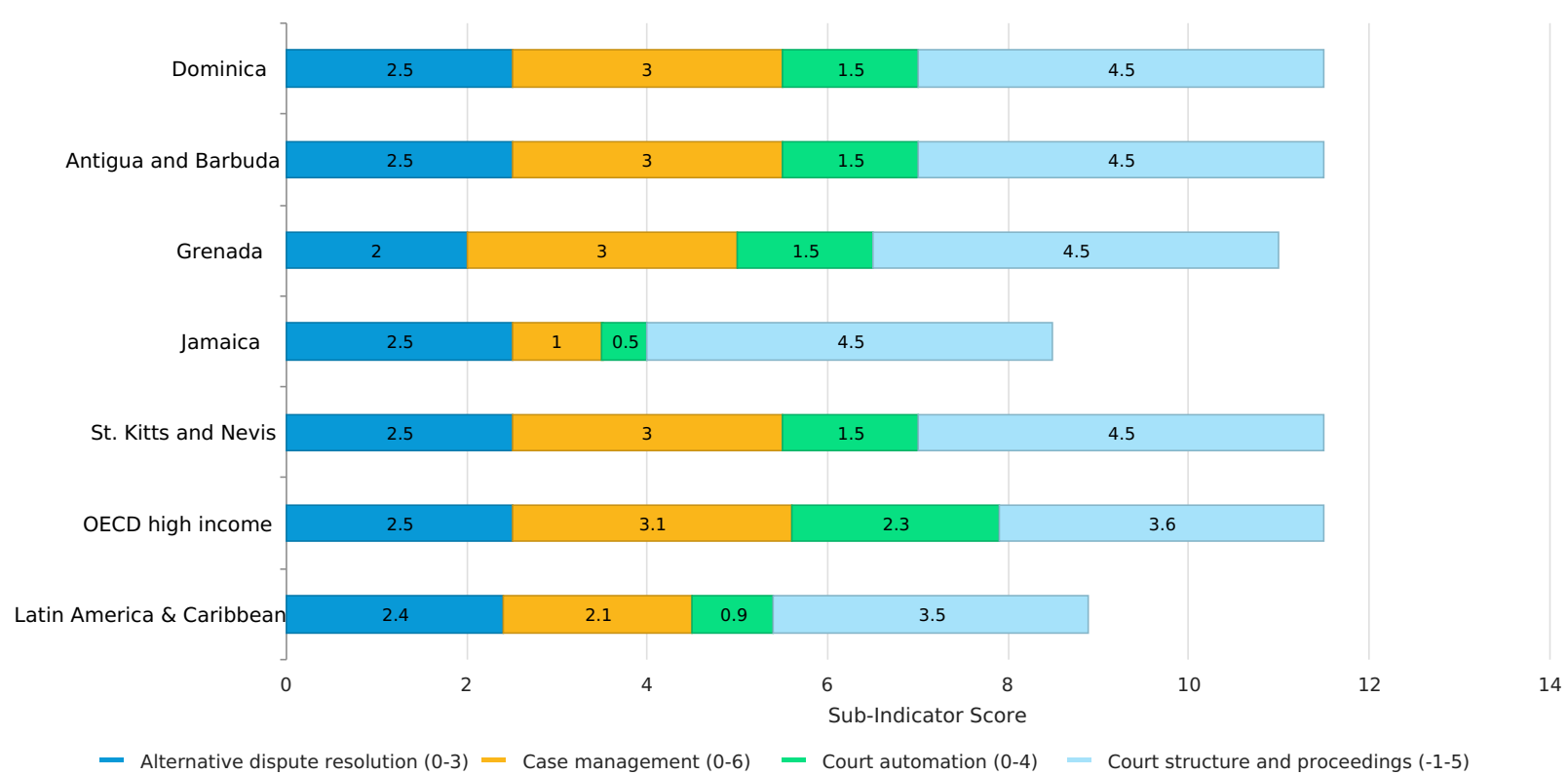


Figure - Enforcing Contracts in Dominica and comparator economies - Measure of Quality



Details - Enforcing Contracts in Dominica

Indicator	
Time (days)	681
Filing and service	21
Trial and judgment	450
Enforcement of judgment	210
Cost (% of claim value)	36.0
Attorney fees	20.8
Court fees	7.4
Enforcement fees	7.8
Quality of judicial processes index (0-18)	11.5
Court structure and proceedings (-1-5)	4.5
Case management (0-6)	3.0
Court automation (0-4)	1.5
Alternative dispute resolution (0-3)	2.5

Details - Enforcing Contracts in Dominica - Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		11.5
Court structure and proceedings (-1-5)		4.5
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	Yes	1.5
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, but manual	0.5
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		3.0
1. Time standards		1.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	Yes	
1.c. Are these time standards respected in more than 50% of cases?	Yes	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	n.a.	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	Yes	1.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	0.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
Court automation (0-4)		1.5
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	no	0.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	Yes	1.0
3. Can court fees be paid electronically within the competent court?	No	0.0
4. Publication of judgments		0.5
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
Alternative dispute resolution (0-3)		2.5
1. Arbitration		1.5

1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	
2. Mediation/Conciliation		1.0
2.a. Is voluntary mediation or conciliation available?	Yes	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	Yes	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	No	

Resolving Insolvency

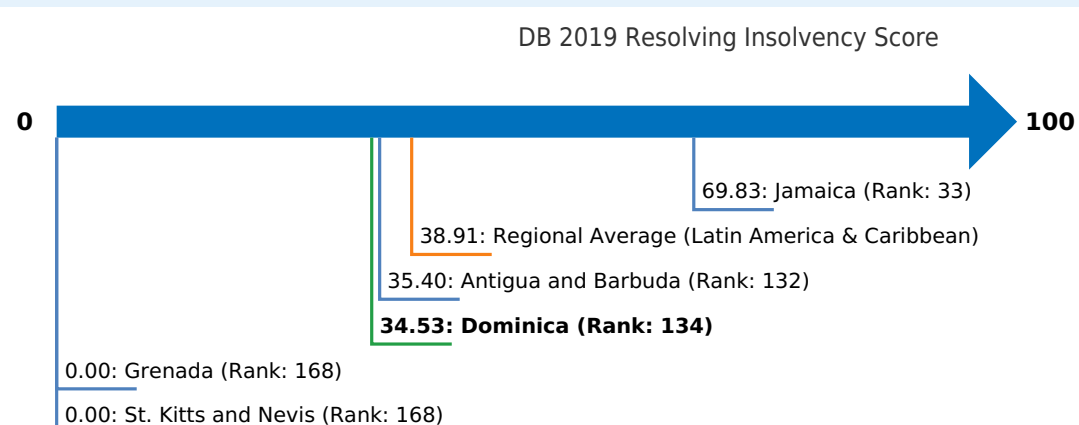
Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Time required to recover debt (years)</p> <ul style="list-style-type: none"> Measured in calendar years Appeals and requests for extension are included <p>Cost required to recover debt (% of debtor's estate)</p> <ul style="list-style-type: none"> Measured as percentage of estate value Court fees Fees of insolvency administrators Lawyers' fees Assessors' and auctioneers' fees Other related fees <p>Outcome</p> <ul style="list-style-type: none"> Whether business continues operating as a going concern or business assets are sold piecemeal <p>Recovery rate for creditors</p> <ul style="list-style-type: none"> Measures the cents on the dollar recovered by secured creditors Outcome for the business (survival or not) determines the maximum value that can be recovered Official costs of the insolvency proceedings are deducted Depreciation of furniture is taken into account Present value of debt recovered <p>Strength of insolvency framework index (0- 16)</p> <ul style="list-style-type: none"> Sum of the scores of four component indices: Commencement of proceedings index (0-3) Management of debtor's assets index (0-6) Reorganization proceedings index (0-3) Creditor participation index (0-4) 	<p>To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:</p> <ul style="list-style-type: none"> - A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties. - The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater. - The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise. <p>In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.</p>

Resolving Insolvency - Dominica

Indicator	Dominica	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	29.3	30.9	70.5	None in 2017/18
Time (years)	4.0	2.9	1.7	0.4 (Ireland)
Cost (% of estate)	10.0	16.8	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0
Strength of insolvency framework index (0-16)	6.0	7.1	11.9	None in 2017/18

Figure - Resolving Insolvency in Dominica and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in Dominica - Time and Cost

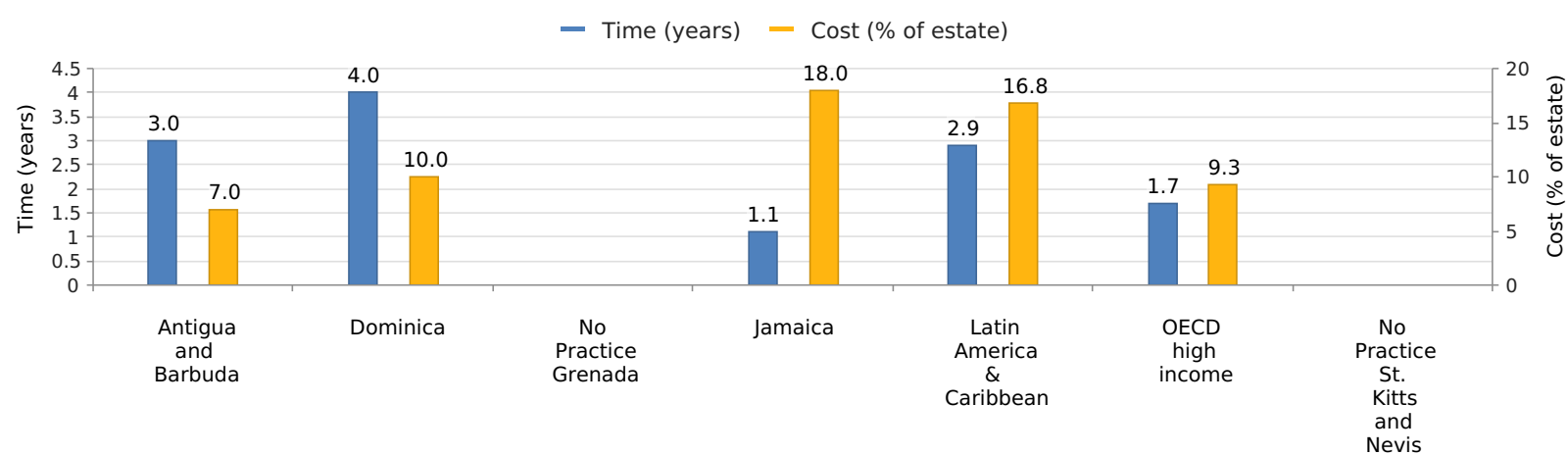
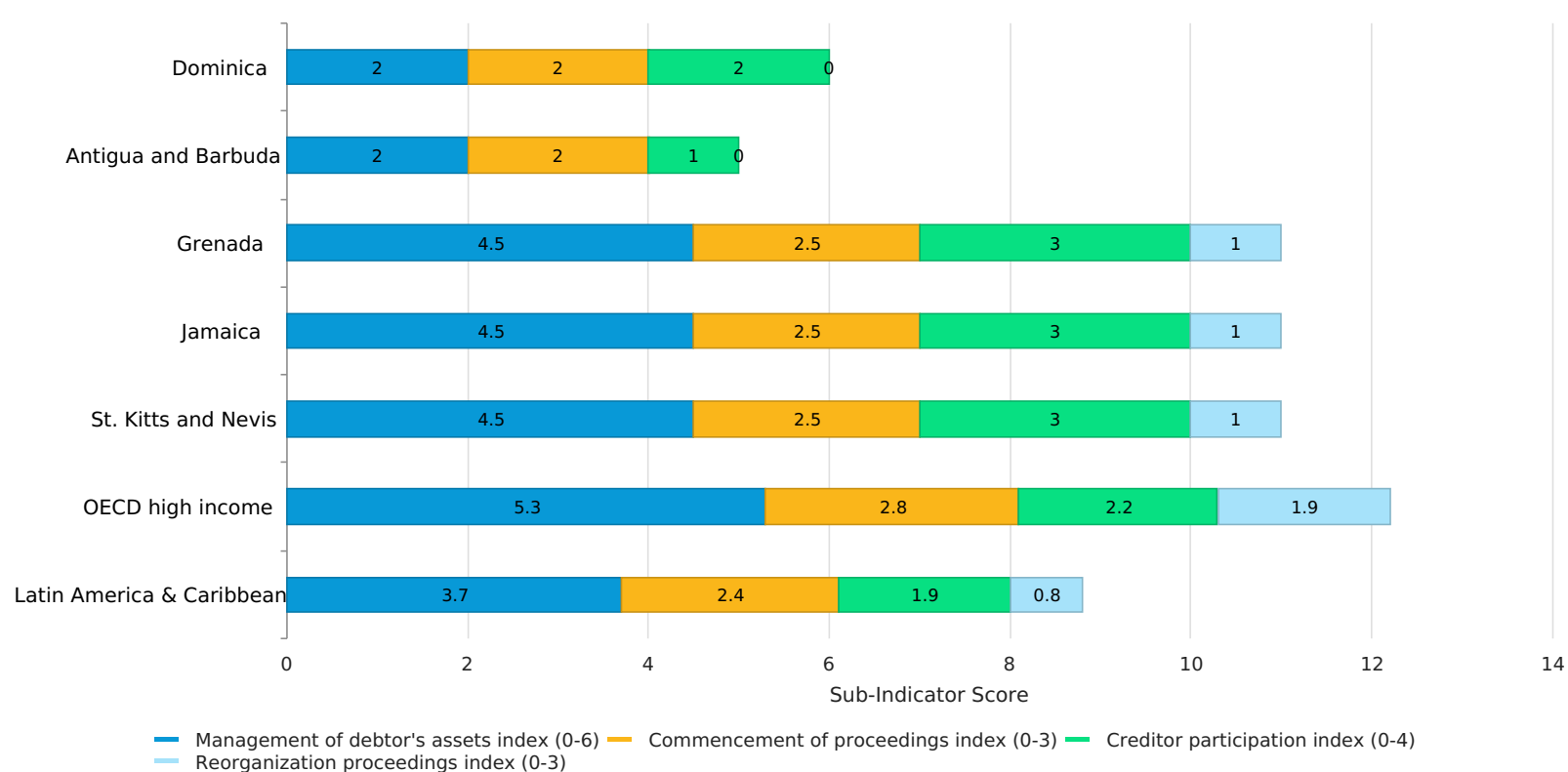
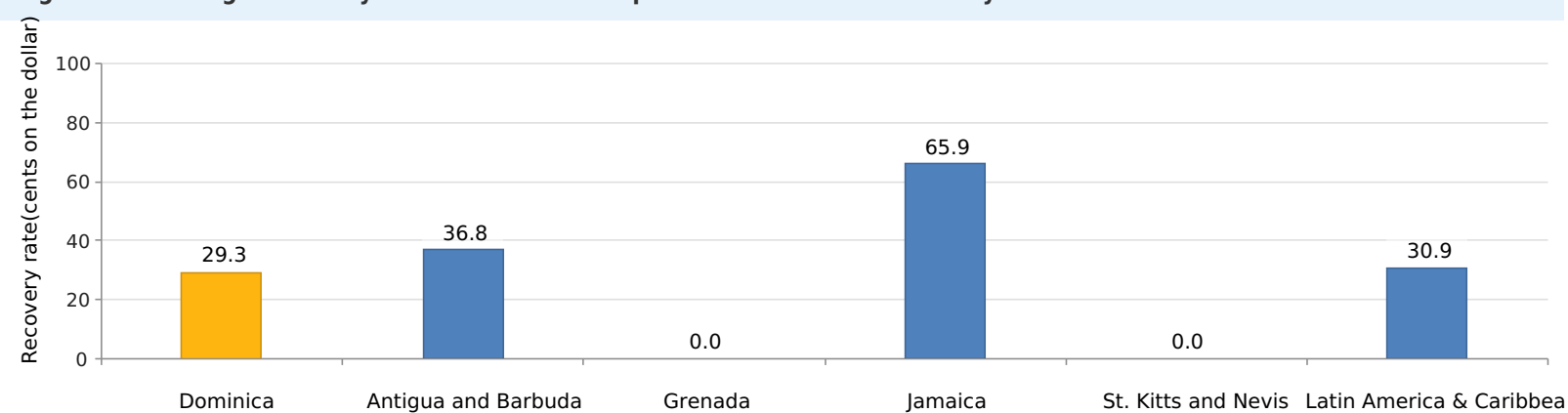


Figure - Resolving Insolvency in Dominica and comparator economies - Measure of Quality

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in Dominica and comparator economies - Recovery Rate

Details - Resolving Insolvency in Dominica

Indicator	Answer	Score
Proceeding	foreclosure	After Mirage's default, BizBank would enforce its security interest over Mirage's assets as the debenture holder and initiate foreclosure proceeding before the High Court of Justice
Outcome	piecemeal sale	The hotel will stop operating and Mirage's assets will be sold piecemeal upon the completion of foreclosure proceeding.
Time (in years)	4.0	The foreclosure procedure takes approximate 4 years until BizBank is repaid some or all of the money owed to it. The delay is largely due to the difficulty to hold hearings after Mirage files an injunction at the Court against BizBank's foreclosure attempt, as well as the lengthy time to prepare and conduct the assets sale.
Cost (% of estate)	10.0	The costs associated with the case would amount to approximately 10% of the value of the debtor's estate. Cost incurred during the entire insolvency process mainly Court fees (0.5%), attorney fees (3%) and receiver fees (5%), fees of accountants, assessors, inspectors and other professionals (1.5%)
Recovery rate (cents on the dollar)		29.3

Details - Resolving Insolvency in Dominica - Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		6.0
Commencement of proceedings index (0-3)		2.0
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(b) Debtor may file for liquidation only	0.5
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(b) Yes, but a creditor may file for liquidation only	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(a) Debtor is generally unable to pay its debts as they mature	1.0
Management of debtor's assets index (0-6)		2.0
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	No	0.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	No	0.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	No	0.0
Does the insolvency framework assign priority to post-commencement credit?	(c) No priority is assigned to post-commencement creditors	0.0
Reorganization proceedings index (0-3)		0.0
Which creditors vote on the proposed reorganization plan?	N/A	0.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	No	0.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	No	0.0
Creditor participation index (0-4)		2.0
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	Yes	1.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	No	0.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Labor Market Regulation

Doing Business presents detailed data for the labor market regulation indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The report does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure

Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.

Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

Job quality

(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

Labor Market Regulation - Dominica

Details - Labor Market Regulation in Dominica

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	No limit
Maximum length of fixed-term contracts, including renewals (months)	No limit
Minimum wage applicable to the worker assumed in the case study (US\$/month)	338.3
Ratio of minimum wage to value added per worker	0.4
Maximum length of probationary period (months)	6.0
Working hours	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	0.0
Premium for work on weekly rest day (% of hourly pay)	100.0
Premium for overtime work (% of hourly pay)	50.0
Restrictions on night work?	No
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	10.0
Paid annual leave for a worker with 5 years of tenure (working days)	15.0
Paid annual leave for a worker with 10 years of tenure (working days)	15.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	13.3
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	No
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	No
Priority rules for reemployment?	Yes
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure	4.3
Notice period for redundancy dismissal for a worker with 5 years of tenure	8.7
Notice period for redundancy dismissal for a worker with 10 years of tenure	17.3
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	10.1
Severance pay for redundancy dismissal for a worker with 1 year of tenure	0.0

Severance pay for redundancy dismissal for a worker with 5 years of tenure	9.0
Severance pay for redundancy dismissal for a worker with 10 years of tenure	19.0
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	9.3

Job quality

Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	No
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	84.0
Receive 100% of wages on maternity leave?	No
Five fully paid days of sick leave a year?	No
Unemployment protection after one year of employment?	No
Minimum contribution period for unemployment protection (months)?	n.a.

Business Reforms in Dominica

In the past year, *Doing Business* observed a peaking of reform activity worldwide. From June 2, 2017, to May 1, 2018, 128 economies implemented a record 314 regulatory reforms improving the business climate. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

DB2017

✓ **Paying Taxes:** Dominica made paying taxes less costly by reducing the corporate income tax rate.

DB2013

✓ **Trading across Borders:** Dominica reduced the time to import by implementing the ASYCUDA World electronic data interchange system.

Doing Business 2019 is the 16th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

ISBN 978-1-4648-1146-3



SKU 211146



WORLD BANK GROUP

www.doingbusiness.org