

# Explore Economies: Madagascar

(source : The World Bank Group, Doing Business Website)

## Starting a Business (2005)

The challenges of launching a business in Madagascar are shown below. Entrepreneurs can expect to go through 11 steps to launch a business over 38 days on average, at a cost equal to 54.3% of gross national income (GNI) per capita. They must deposit at least 2,158.0% of GNI per capita in a bank to obtain a business registration number.

Indicator	Madagascar	Region	OECD
Procedures (number)	11	11	6.5
Time (days)	38	63.8	19.5
Cost (% of income per capita)	54.3	215.3	6.8
Min. capital (% of income per capita)	2158	297.2	41

## Dealing with Licenses (2005)

The steps, time, and costs of complying with licensing and permit requirements for ongoing operations in Madagascar are shown below. It takes 19 steps and 356 days to complete the process, and costs 447.8% of income per capita.

Indicator	Madagascar	Region	OECD
Procedures (number)	19	20.1	14.1
Time (days)	356	251.5	146.9
Cost (% of income per capita)	447.8	1,597.30	75.1

## Protecting Investors (2005)

The indicators below describe three dimensions of investor protection: transparency of transactions (Extent of Disclosure Index), liability for self-dealing (Extent of Director Liability Index), shareholders' ability to sue officers and directors for misconduct (Ease of Shareholder Suits Index) and Strength of Investor Protection Index. The indexes vary between 0 and 10, with higher values indicating greater disclosure, greater liability of directors, greater powers of shareholders to challenge the transaction, and better investor protection.

Indicator	Madagascar	Region	OECD
Disclosure Index	5	5.4	6.1
Director Liability Index	6	4.6	5.1
Shareholder Suits Index	6	5	6.6
Investor Protection Index	5.7	5	5.9

## Trading Across Borders (2005)

The costs and procedures involved in importing and exporting a standardized shipment of goods in Madagascar are detailed under this topic. Every official procedure involved is recorded - starting from the final contractual agreement between the two parties, and ending with the delivery of the goods.

Indicator	Madagascar	Region	OECD
Documents for export (number)	7	8.5	5.3
Signatures for export (number)	15	18.9	3.2
Time for export (days)	50	48.6	12.6
Documents for import (number)	9	12.8	6.9
Signatures for import (number)	18	29.9	3.3
Time for import (days)	59	60.5	14

Complete data : <http://www.doingbusiness.org/ExploreEconomies/Default.aspx?economyid=117>