

# Doing Business in South Africa 2018

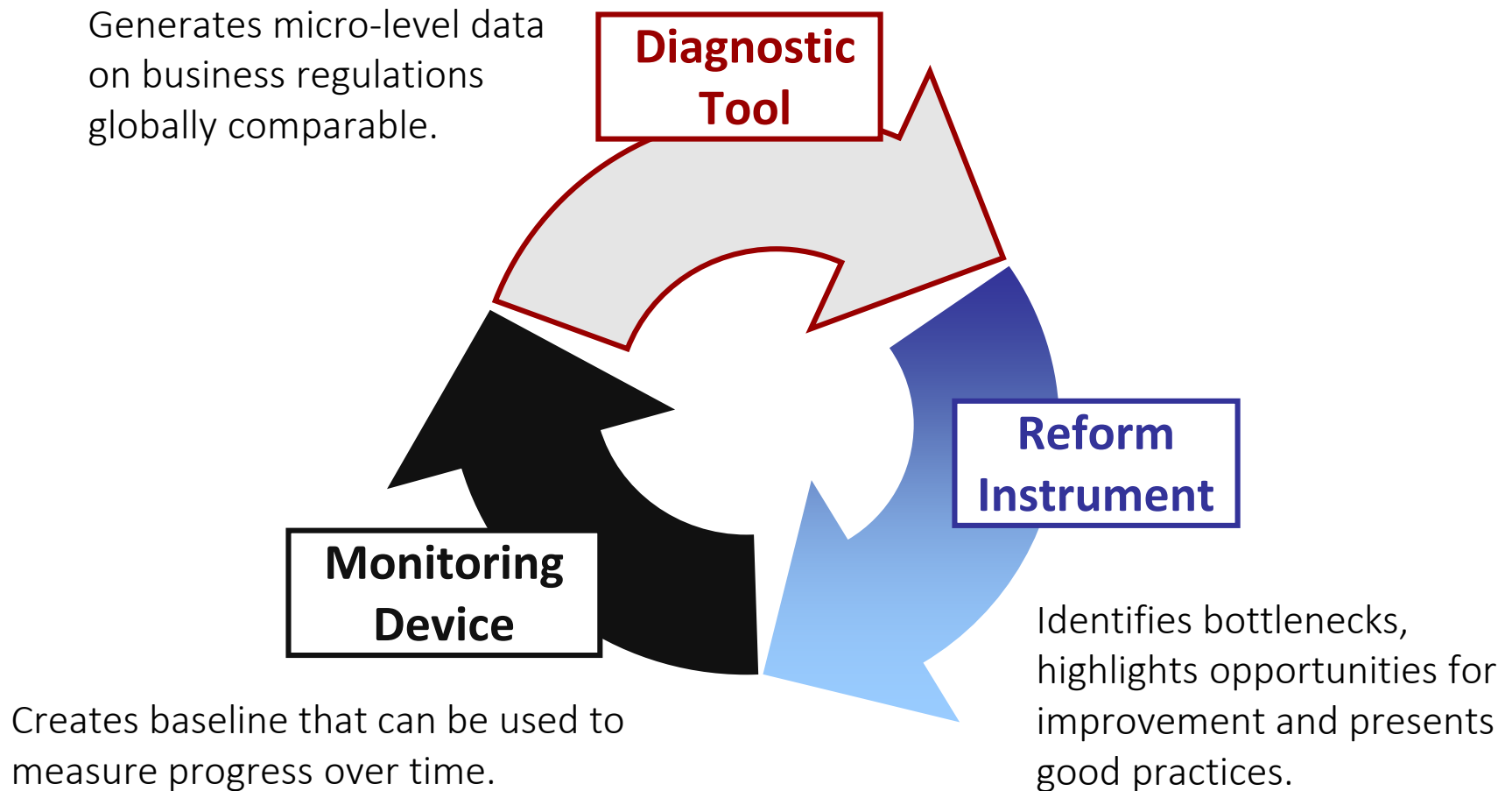
Comparing *Business Regulation for Domestic Firms in  
9 Urban Areas and 4 Maritime Ports* with 189 Other Economies

# Subnational *Doing Business*—going beyond business capitals



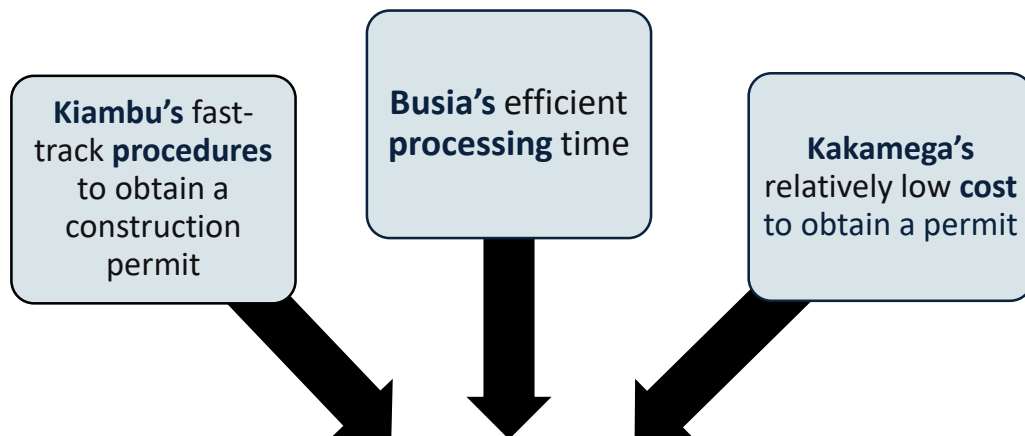
- go **beyond** the **largest business city**
- cover regulations at **all levels**
- capture **local differences**
- provide replicable **good practices**
- help cities tell their stories and **compete**
- use local government participation to **promote reform**

## Subnational *Doing Business* creates data for informed policymaking



# Showcases potential for improvement through the emulation of good practices

Sharing best practices on construction permitting  
from *Doing Business in Kenya 2016*

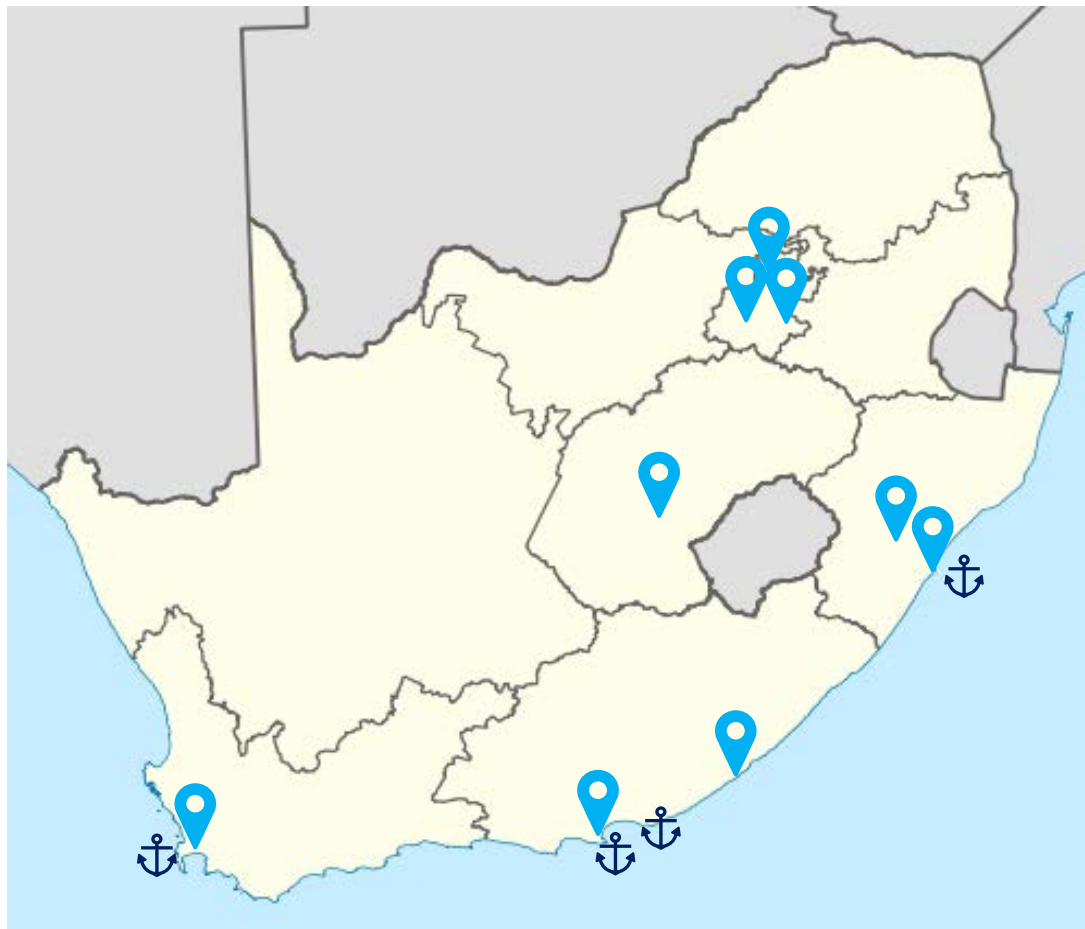


If Nairobi adopted these good practices,  
it would move from the bottom 20% to top 40% of economies globally

Replicating the best practices at the subnational level is  
an easy win for reform-minded policy makers

Source: Subnational Doing Business database

# Second benchmarking in 9 urban areas and 4 maritime ports



Dealing with  
Construction  
Permits



Getting  
Electricity



Registering  
Property



Enforcing  
Contracts

## 9 urban areas

Buffalo City (East London)  
Cape Town (Cape Town)  
Ekurhuleni (Germiston)  
eThekweni (Durban)  
Johannesburg (Johannesburg)  
Mangaung (Bloemfontein)  
Msunduzi (Pietermaritzburg)  
Nelson Mandela Bay (Port  
Elizabeth)  
Tshwane (Pretoria)



Trading across  
Borders

## 4 maritime ports

Cape Town  
Durban  
Ngqura  
Port Elizabeth

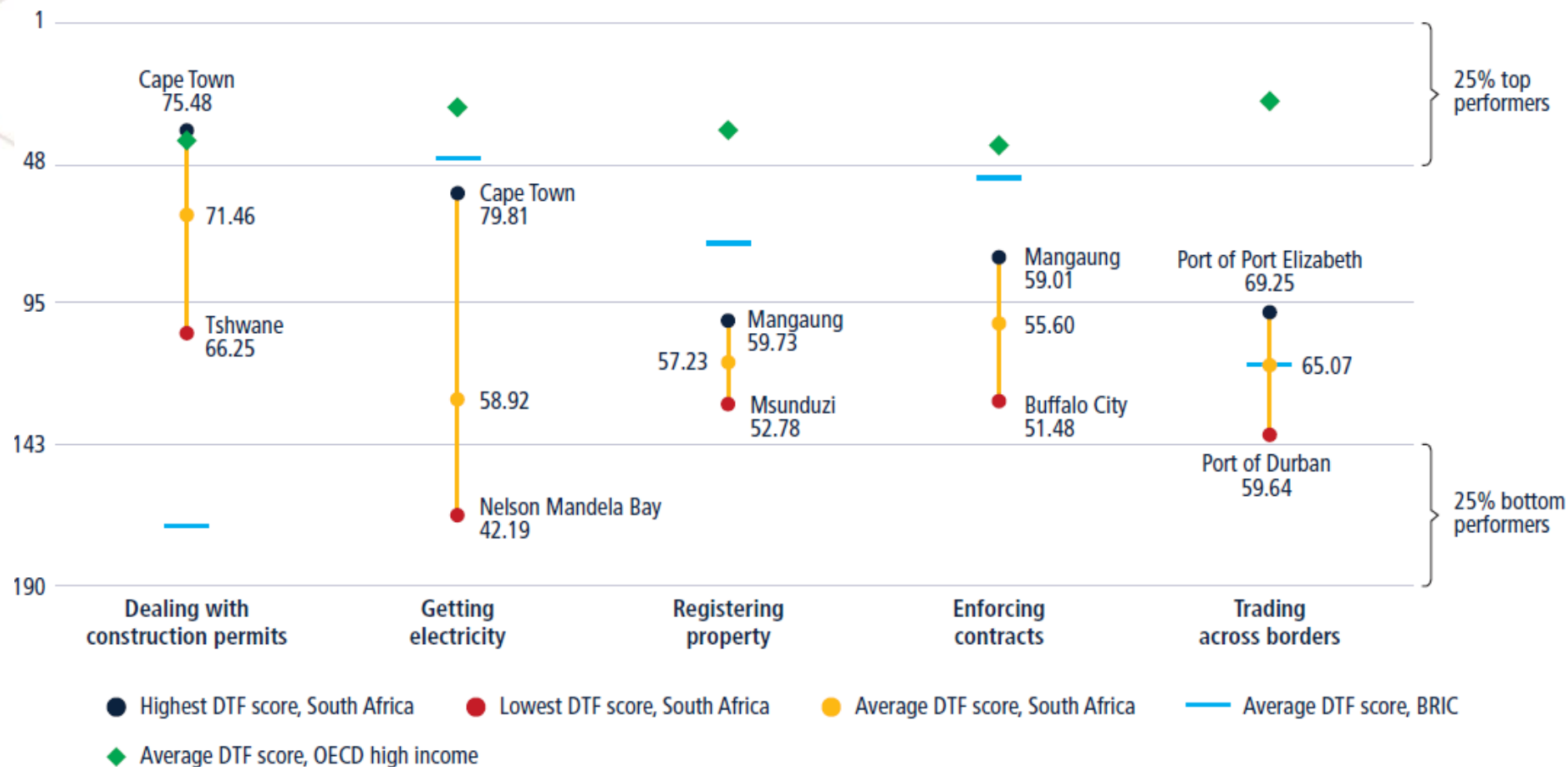
# No location has the top performance in all areas

Location	Dealing with construction permits		Getting electricity		Registering property		Enforcing contracts	
	Distance to frontier score (0–100)	Ranking (1–9)	Distance to frontier score (0–100)	Ranking (1–9)	Distance to frontier score (0–100)	Ranking (1–9)	Distance to frontier score (0–100)	Ranking (1–9)
Buffalo City (East London)	71.66	6	59.40	5	57.81	6	↑ 51.48	9
Cape Town (Cape Town)	75.48	1	↑ 79.81	1	54.69	7	54.71	7
Ekurhuleni (Germiston)	71.81	4	52.09	6	58.48	4	55.58	5
eThekweni (Durban)	73.65	2	↑ 69.40	2	54.58	8	55.74	4
Johannesburg (Johannesburg)	↑ 68.16	8	↑ 68.77	3	59.68	2	54.10	8
Mangaung (Bloemfontein)	↑ 71.25	7	59.82	4	↑ 59.73	1	59.01	1
Msunduzi (Pietermaritzburg)	↑ 73.17	3	↑ 47.59	8	52.78	9	58.78	2
Nelson Mandela Bay (Port Elizabeth)	↑ 71.70	5	↑ 42.19	9	57.93	5	54.85	6
Tshwane (Pretoria)	↑ 66.25	9	51.24	7	59.39	3	56.14	3

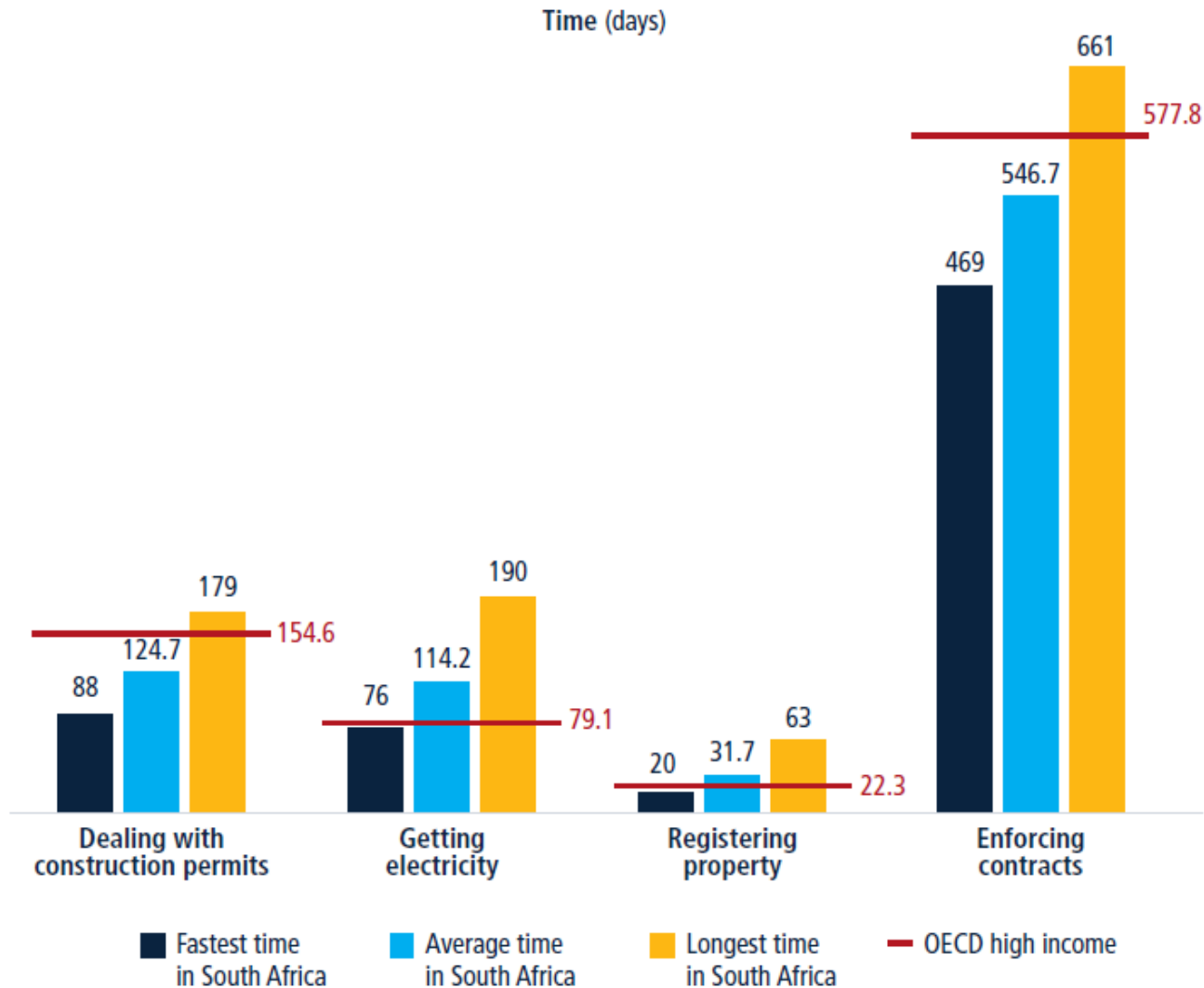


# Performance varies widely across regulatory areas

Doing Business rank (1–190 economies)



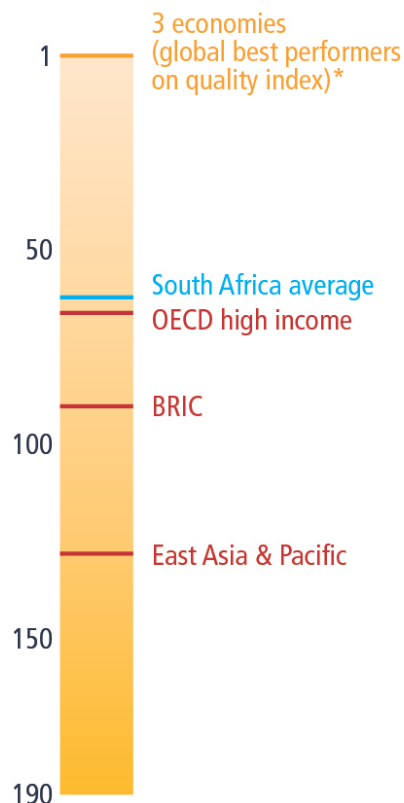
# Processes are still complex and costly, however they are relatively fast



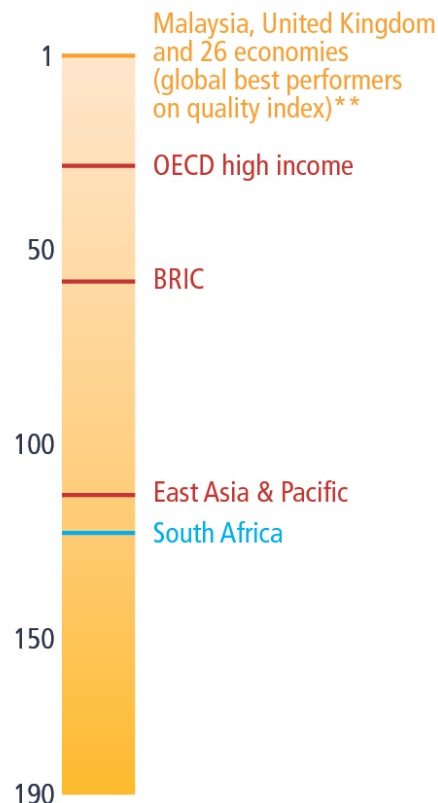


# There is still room for improvement in the quality of regulation

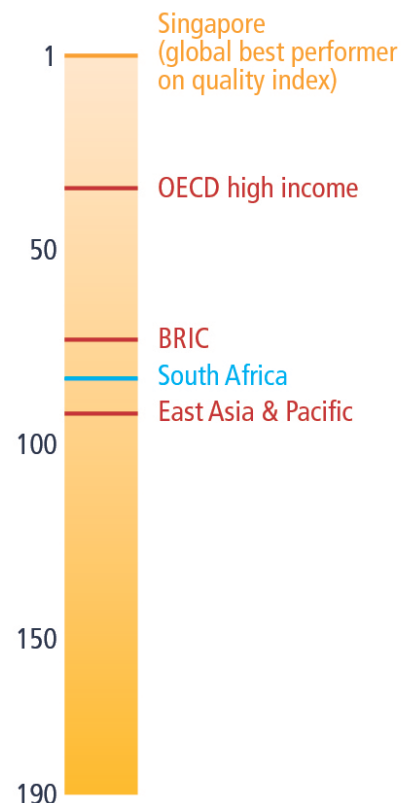
Dealing with construction permits



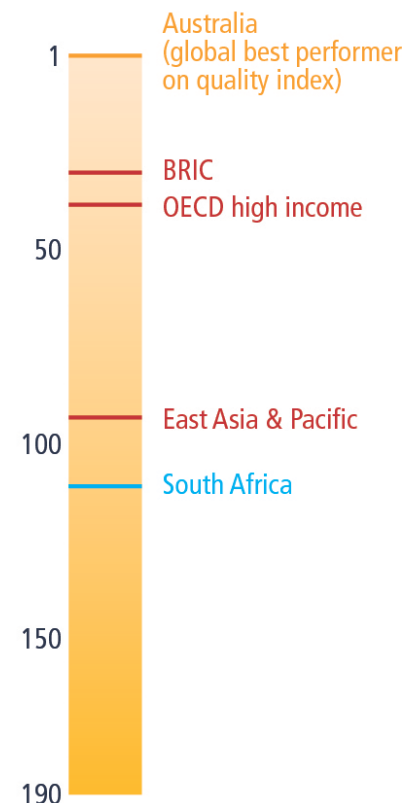
Getting electricity



Registering property



Enforcing contracts



# Since 2015, the largest improvements were in 2 areas



Getting  
Electricity

Cape Town

eThekweni

Johannesburg

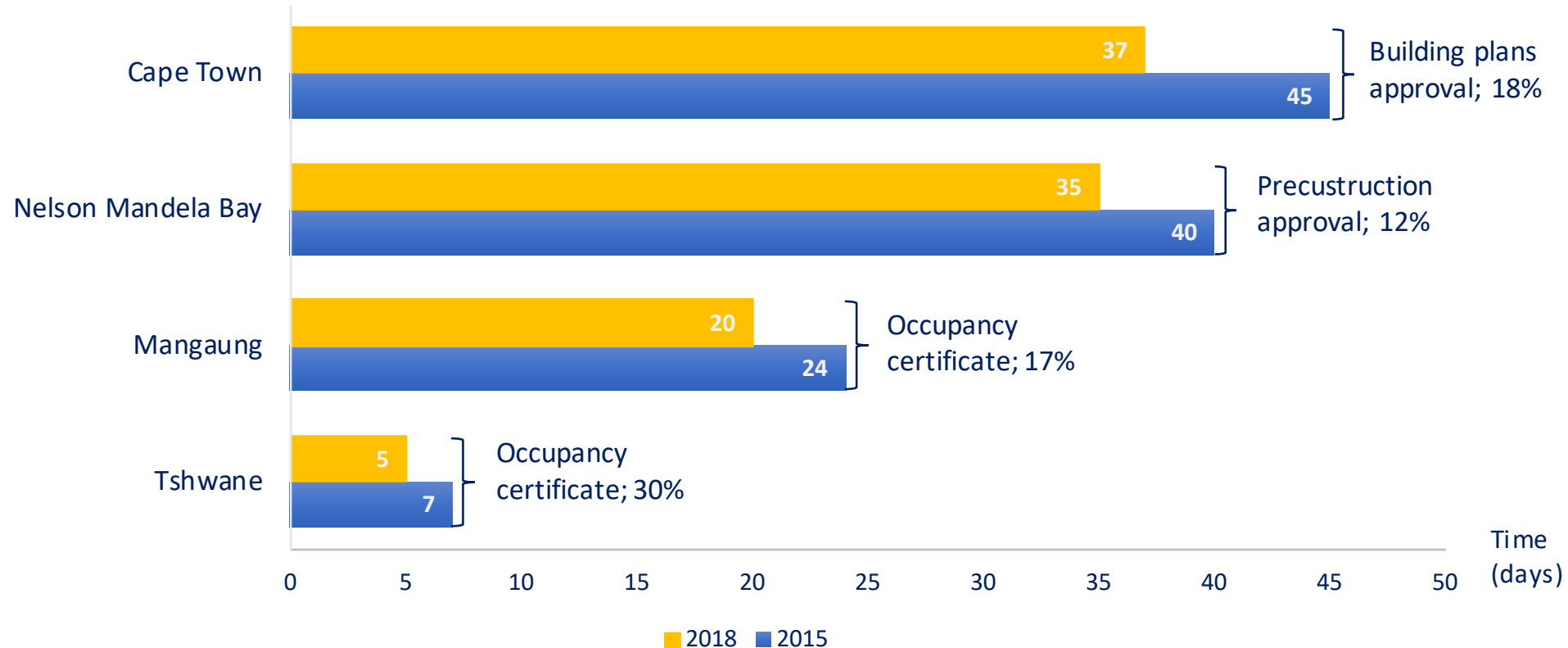
Nelson Mandela Bay



Registering  
Property

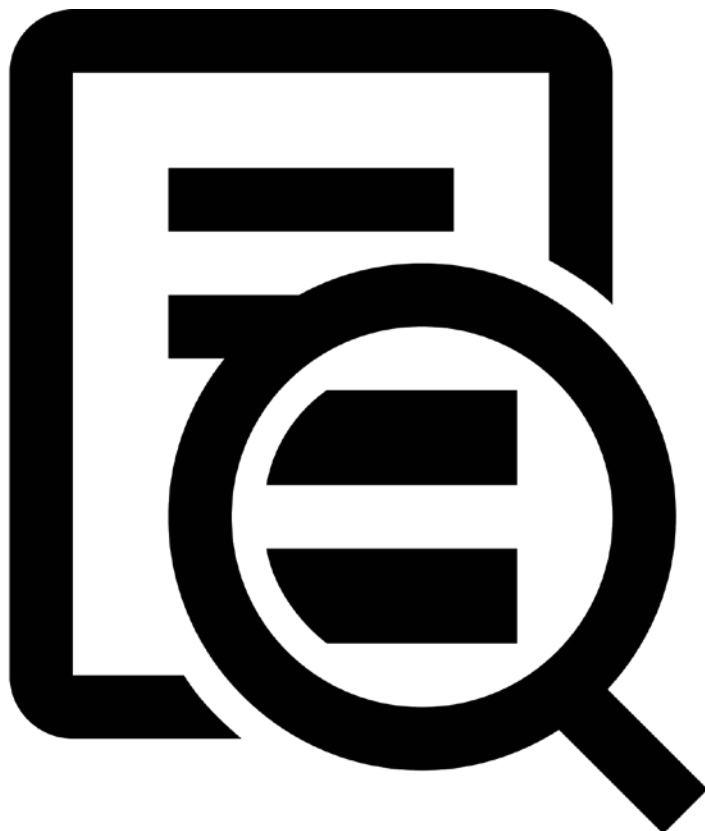
Mangaung

# There were smaller improvements in construction permitting



# Three locations now monitor the reliability of electricity supply using SAIDI/SAIFI

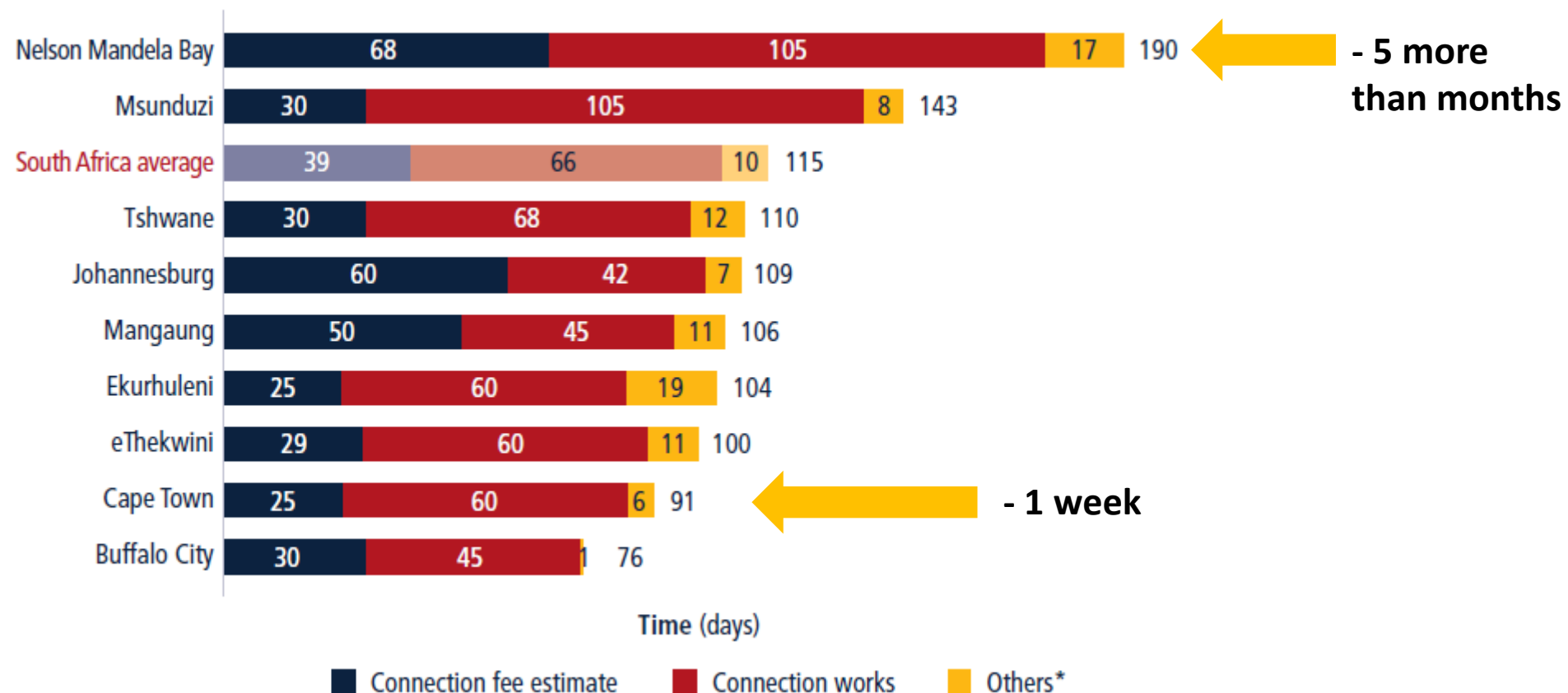
More than  
120 *Doing Business* economies



Reliability of supply and  
transparency of tariffs index  
(0-8 points)

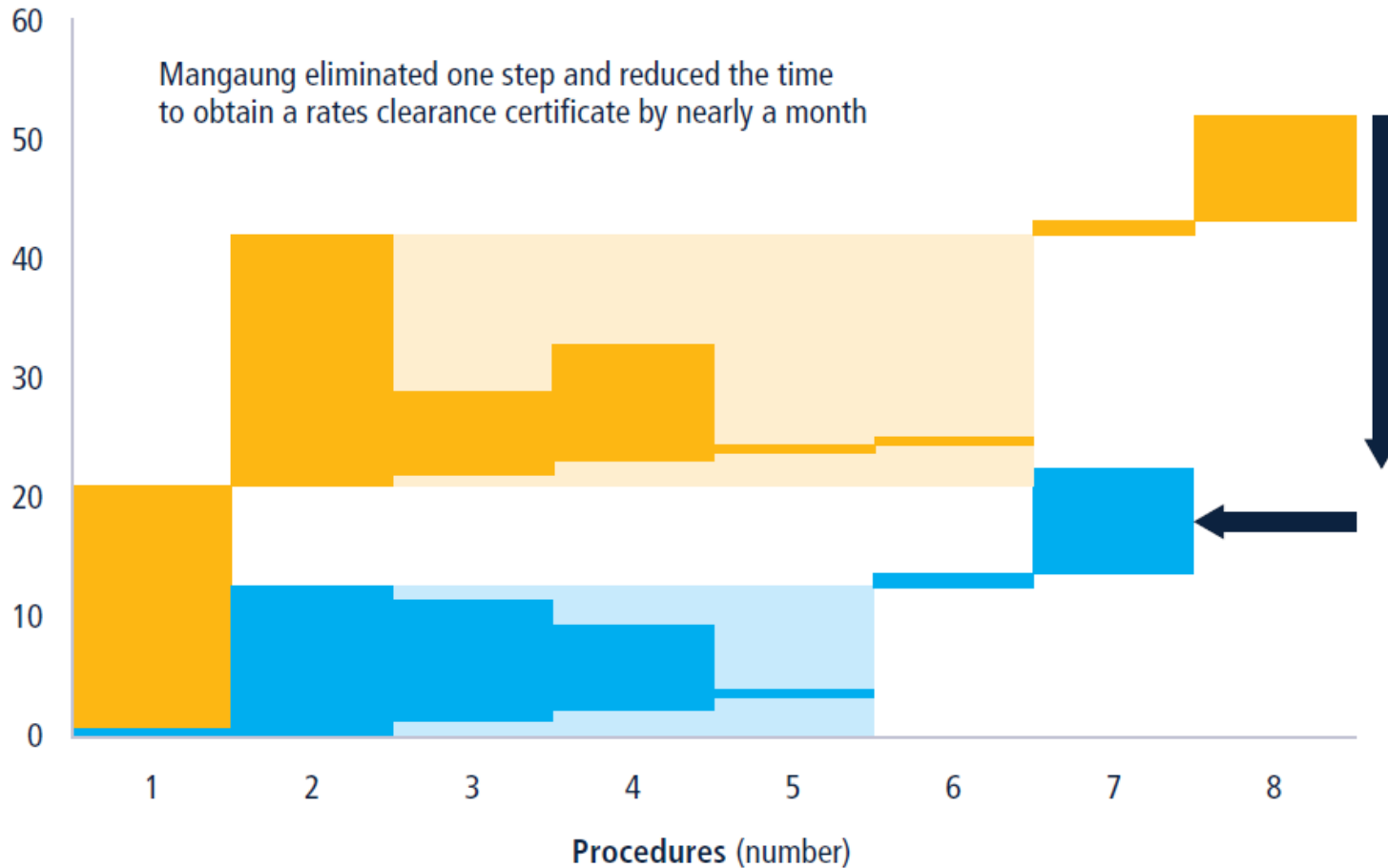
	2015	2018
Cape Town	0 points	6 points
Johannesburg	0 points	4 points
eThekweni	0 points	4 points

# Two locations also reduced time to connect to the grid



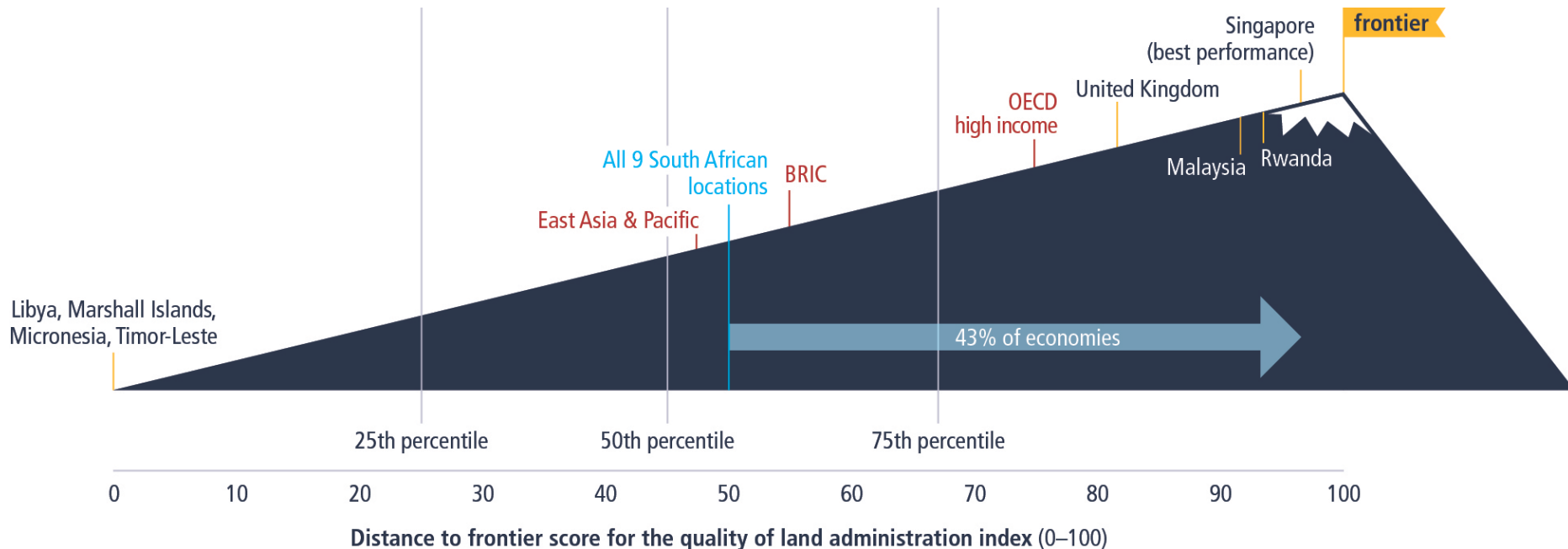
# Mangaung cut time to transfer property—through better coordination and automation

Time to register a property (days)



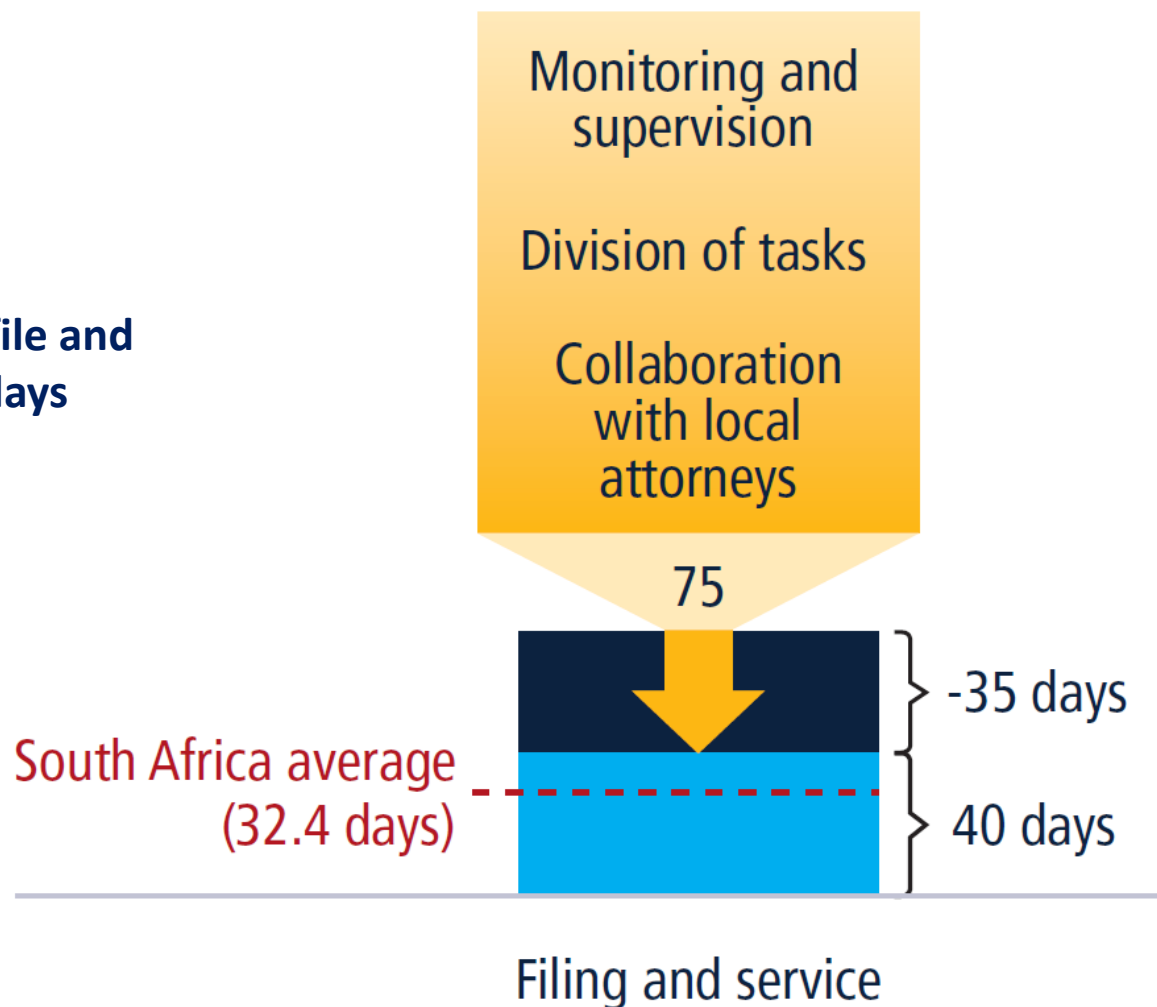


# Globally 43% of economies perform better on the quality of land administration

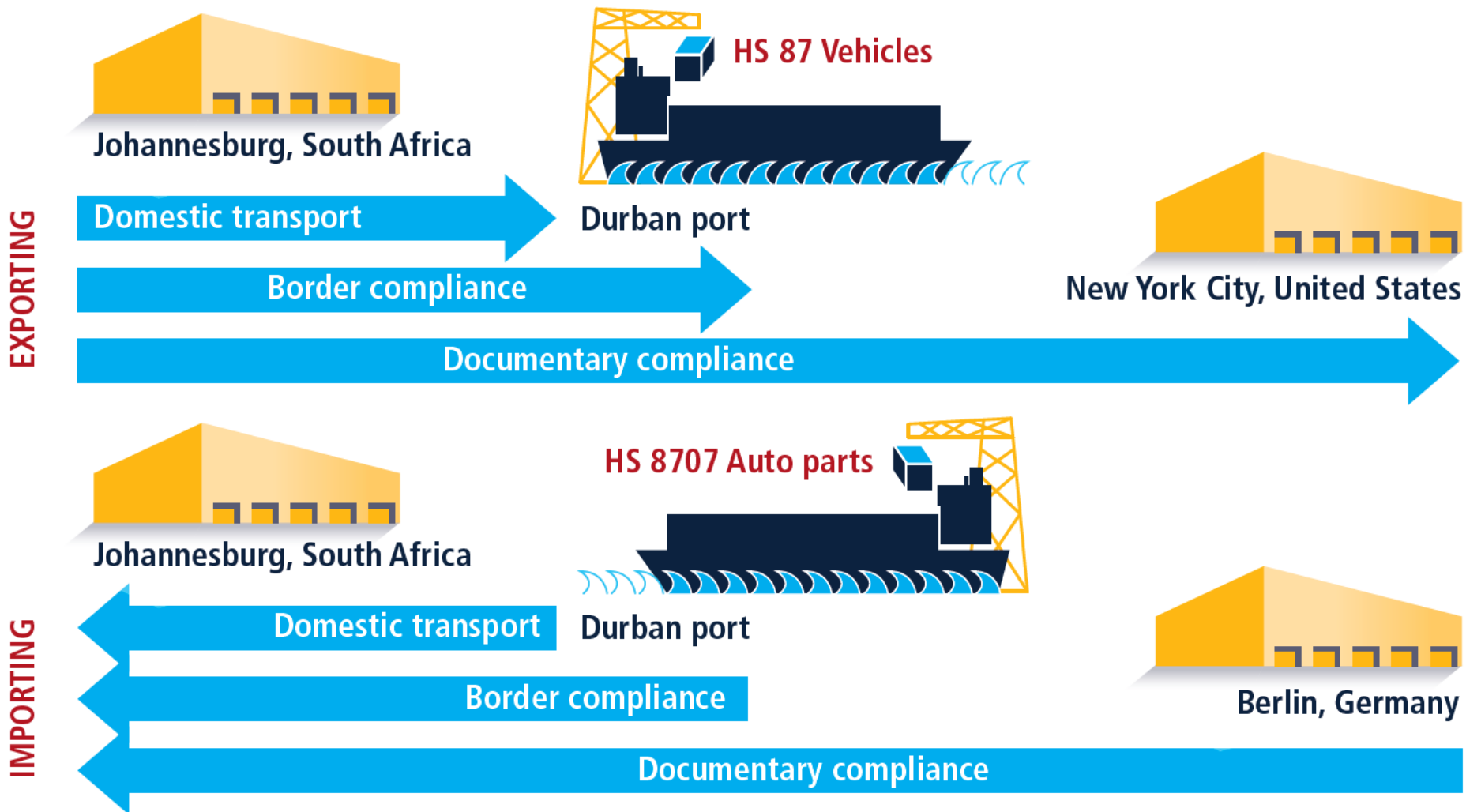


# Smaller improvements in filing time may signal future reforms

**Buffalo City cut time to file and serve process by 35 days**



# Doing Business measures three areas of cross-border trade

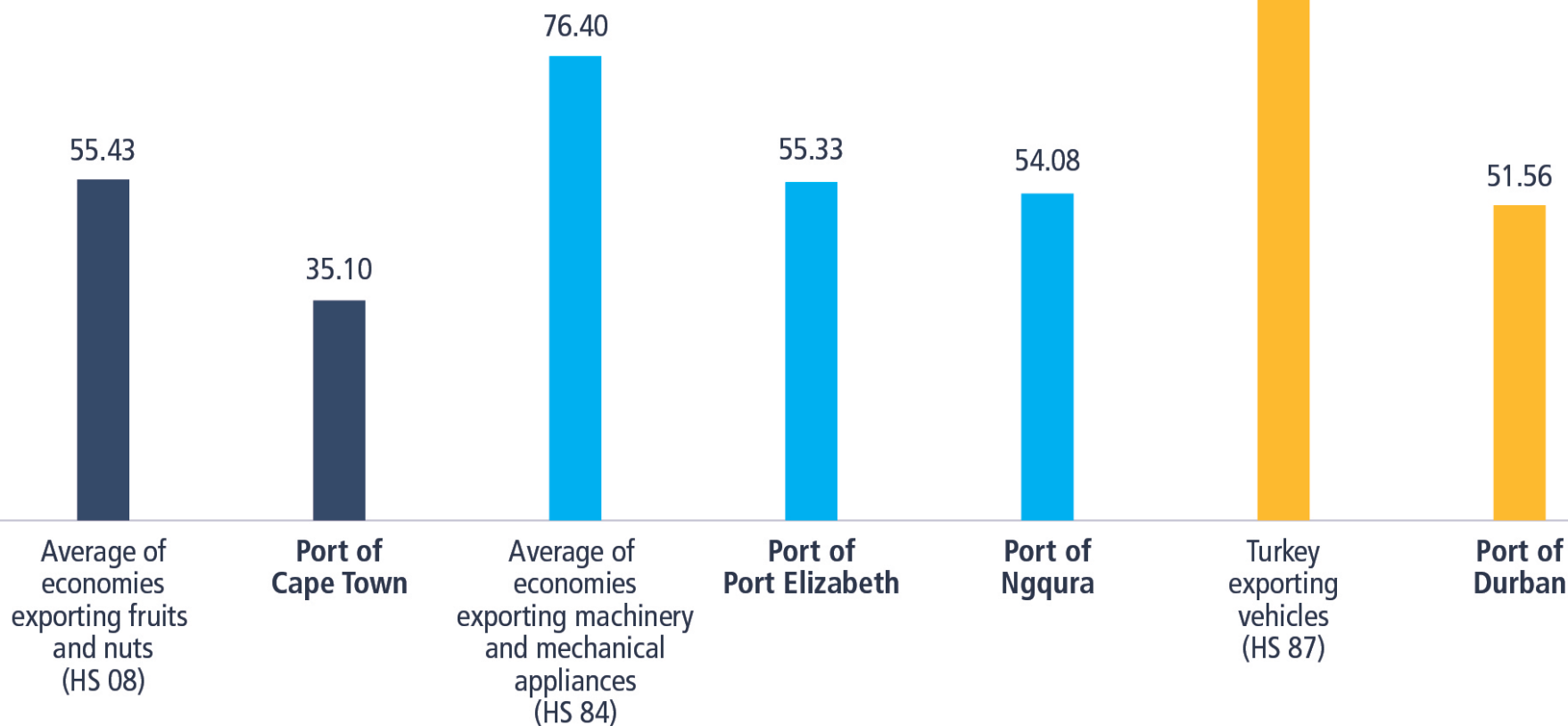


# There is still room to streamline export processes in South Africa

Distance to frontier score (0–100)

100

0



# The way forward: addressing cross-cutting issues

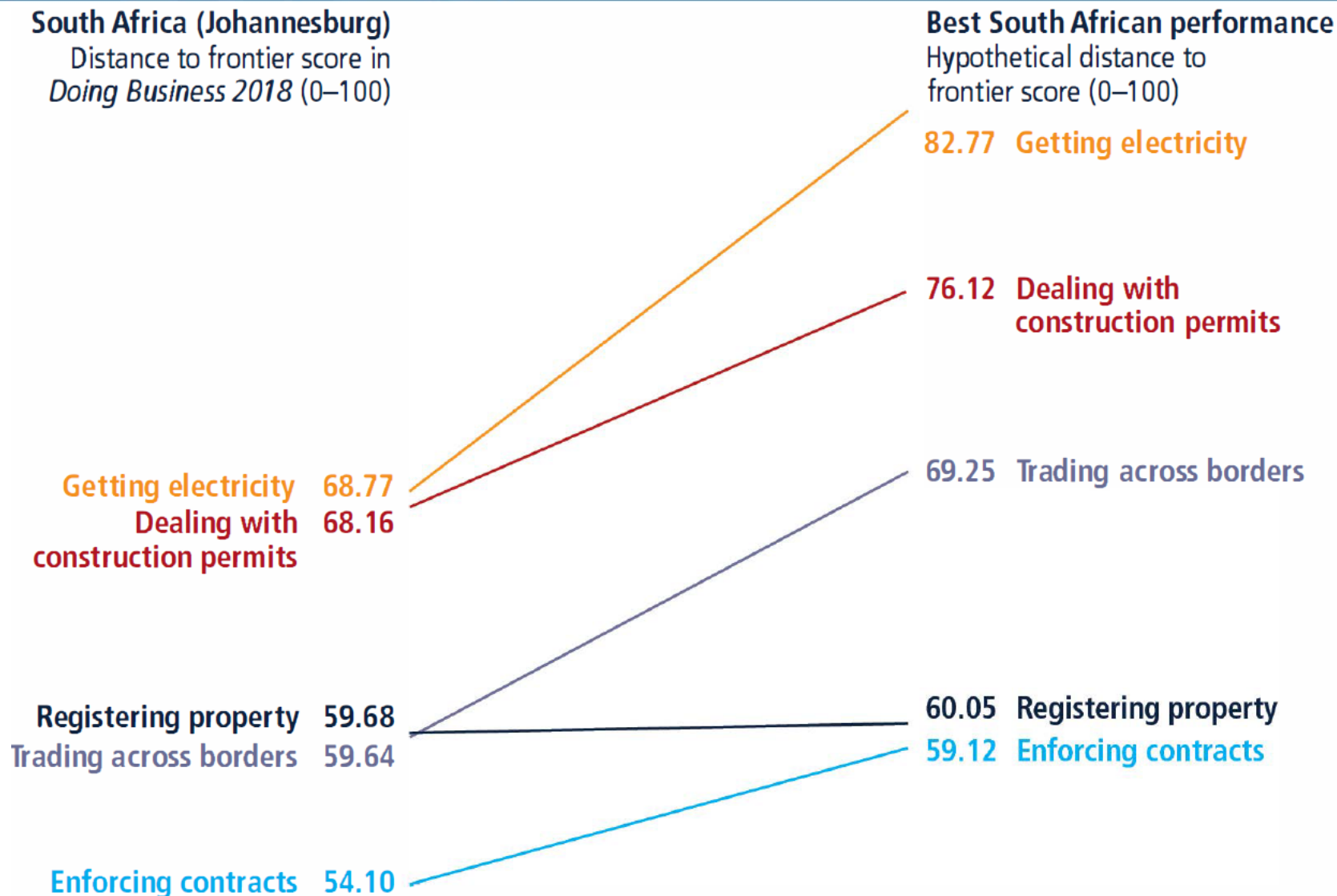
Coordination within  
municipalities

Collaboration at different levels  
of government

Proper resource allocation and  
implementation

Improved prospect for future  
reform successes

# The potential for improvement—through the emulation of good practices—is striking







# Thank you!

[www.doingbusiness.org/southafrica](http://www.doingbusiness.org/southafrica)

for more information