REINFORCING INFRASTRUCTURE DEVELOPMENT IN IRAQ

Second Meeting of the Working Group on Infrastructure Finance in Iraq

Requirements for PPP, development bank loans and guarantees

Louis Bedoucha MIGA World bank Group Paris, 29-30 April 2010
Requirements for PPP, development bank loans and guarantees

5 pillars

I. Climate of business

II. Efficient banking system

III. Buoyant private sector

IV. Legal framework for PPP, concession and broadly speaking FDI

V. Fighting corruption
I. Climate of business : Doing business

- Starting a business
- Construction permits
- Employment
- Registering property
- Getting credit
- Protecting investors
- Paying taxes
- Trading across borders
- Enforcing contracts
- Closing a business
I. Climate of business: Doing business global rank

Ease of Doing Business - Global Rank

- Singapore: 1
- Saudi Arabia: 13
- United Arab Emirates: 33
- Oman: 65
- Jordan: 100
- Iran, Islamic Rep.: 137
- Iraq: 153

The chart shows the ease of doing business globally, with Singapore being the easiest (rank 1) and Iraq being the least (rank 153).
## I. Climate of business: doing business selected indicators comparison

<table>
<thead>
<tr>
<th></th>
<th>Iraq</th>
<th>Jordan</th>
<th>Saudi Arabia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Starting a business</strong> (&lt;em&gt;number of days&lt;/em&gt;)</td>
<td>77</td>
<td>13</td>
<td>5</td>
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<tr>
<td><strong>Dealing with construction permits</strong> (&lt;em&gt;number of days&lt;/em&gt;)</td>
<td>215</td>
<td>87</td>
<td>94</td>
</tr>
<tr>
<td><strong>Paying taxes</strong> (&lt;em&gt;number of hours&lt;/em&gt;)</td>
<td>312</td>
<td>101</td>
<td>79</td>
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<tr>
<td><strong>Trading across border</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Cost to import (usd)</td>
<td>3900</td>
<td>1290</td>
<td>678</td>
</tr>
<tr>
<td>- Cost to export (usd)</td>
<td>3900</td>
<td>730</td>
<td>681</td>
</tr>
<tr>
<td><strong>Enforcing contract</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Number of procedures</td>
<td>51</td>
<td>38</td>
<td>43</td>
</tr>
</tbody>
</table>
II. Efficient Banking System

- Efficient regulations of credit
- Soundness of sector
- Ability to finance corporates on market based decisions
- Size
III. Buoyant private sector

- Existence of dynamic private, domestic investors
- Transparency of accounts
- Soundness of balance sheet
- Openness to foreign investors
IV. Legal framework for PPP, concession

- Existence of a strong legal framework for PPP
- Protection of investors
- Arbitrage clause
V. Fighting corruption

- Transparency of actors including administrations
- Procurement law → Tender
- Track record on claims
- Ranking in Transparency International: 178/181
VI. Contact Information

Multilateral Investment Guarantee Agency
66, avenue d’Iéna
75016 Paris
+33 1 40 69 31 59

Website: http://www.miga.org