

The role of business registries in facilitating policy making



Registries can play a key role in economic transactions

The Commerce Registry exists to reduce Transaction Costs for Companies in their relation with other Economic Agents and Public Administrations

Why do we need a Commerce Registry?

Company



Commerce Registry



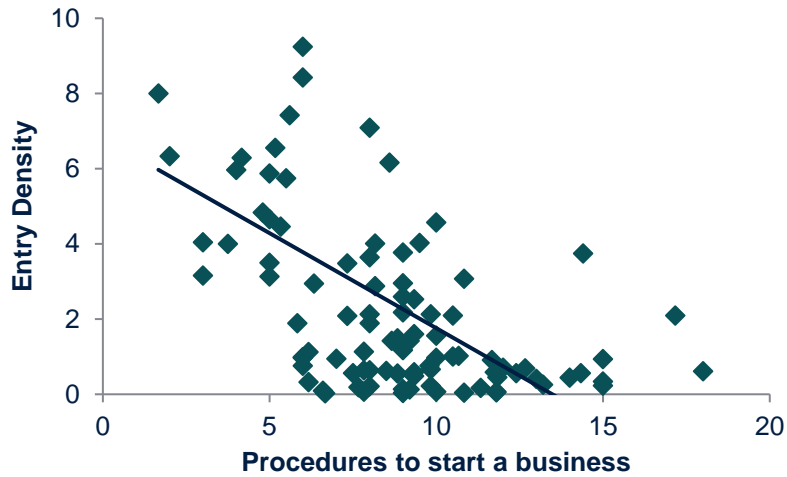
Economic Agents



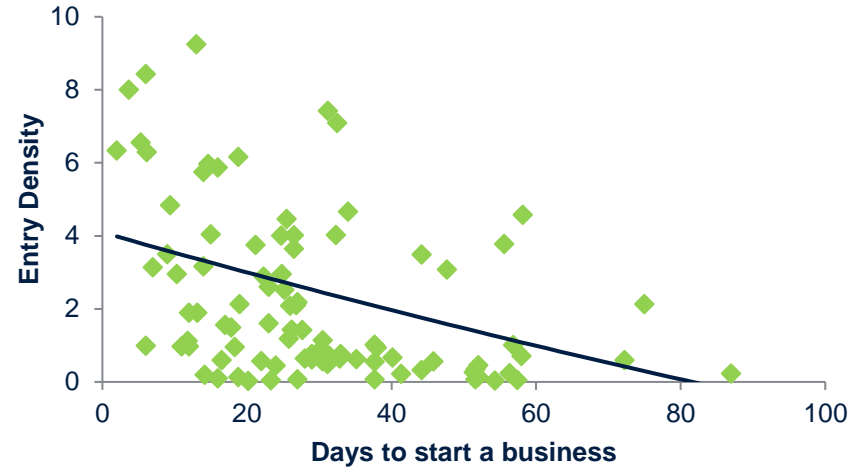
Public Administration

Easier business registration is associated with greater business density

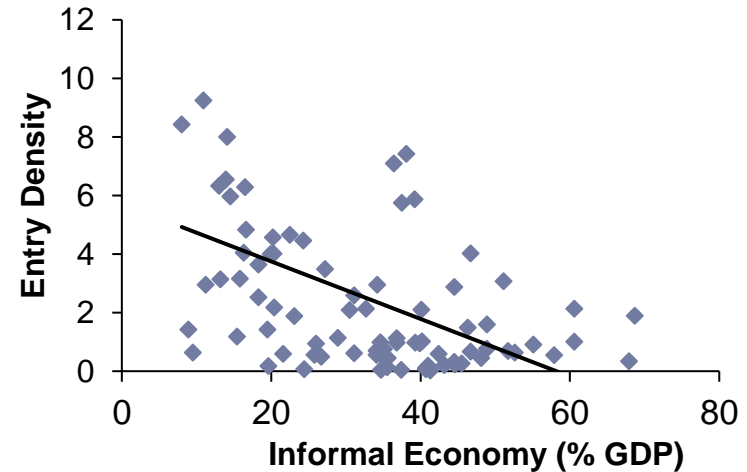
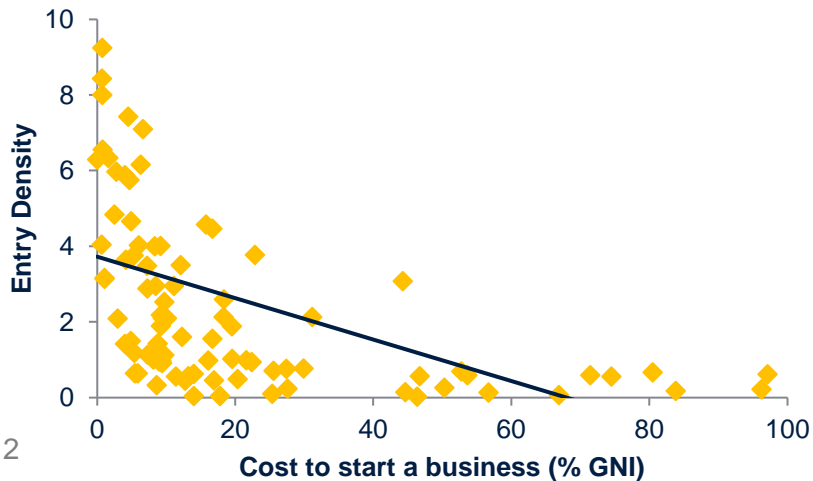
Panel A: Number of Procedures



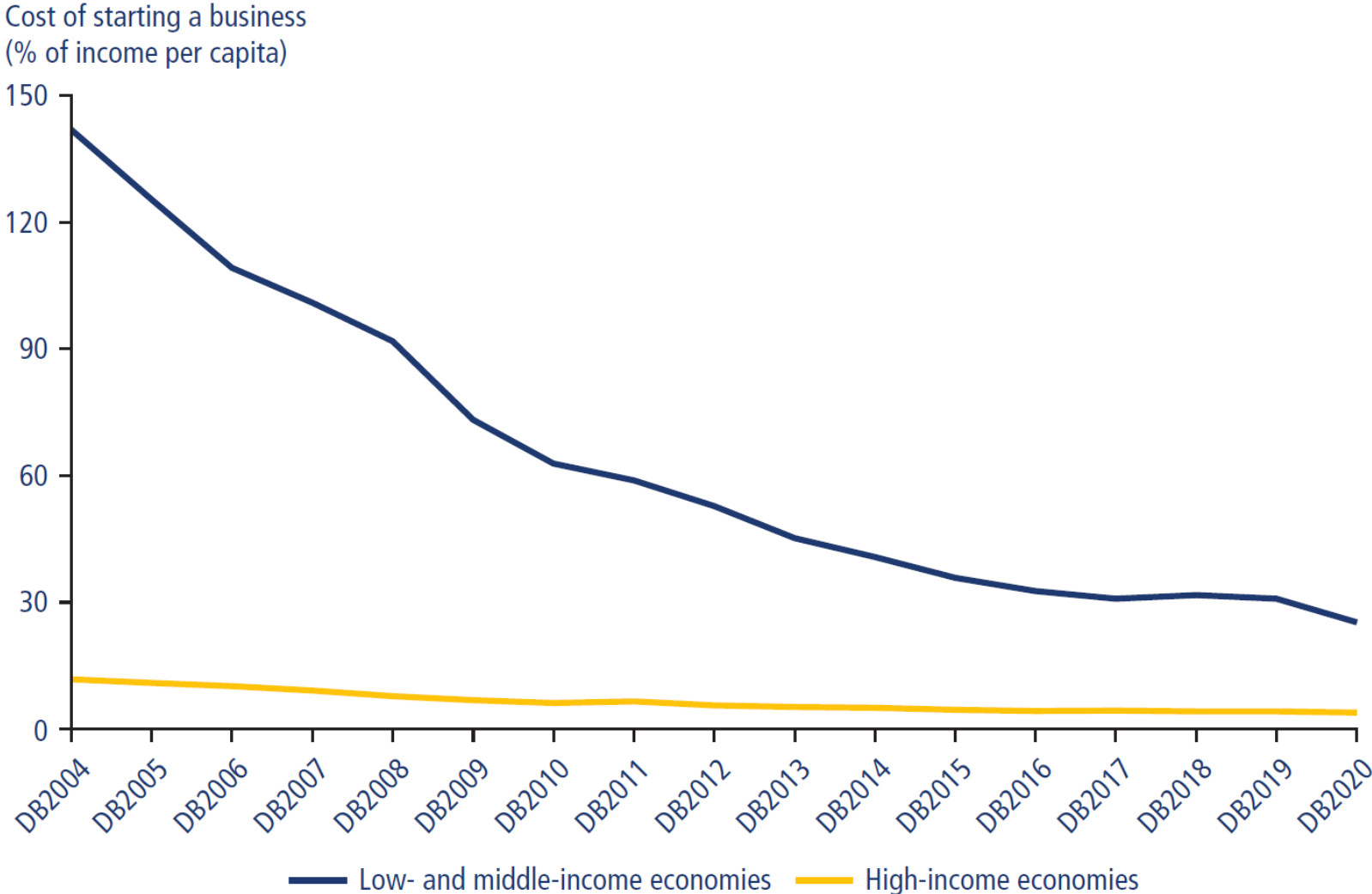
Panel B: Time (in days)



Panel C: Cost of starting a business



The cost of starting a business has fallen over time in developing economies



Why are reliable business registries needed?

A complete, transparent, accurate and automated business registry...




In the context of COVID 19, facilitates identification of beneficiaries of crisis response policy measures

Registries can be at the forefront in generating female entrepreneurship data

Why it matters

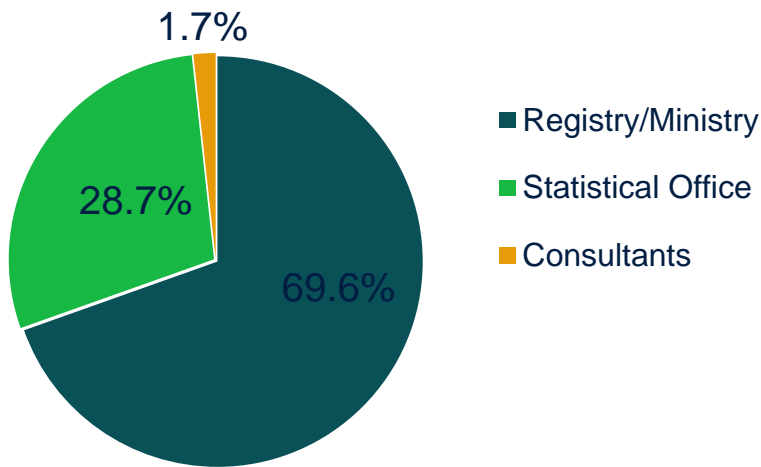
- Female entrepreneurship impacts economic growth and development, sustainable and durable peace, and is associated with better social outcomes (Cuberes and Teignier 2014, Fetsch, Jackson, and Wiens 2015, Lewis et al 2014, Woetzel et al 2015)
- A “full-potential” scenario- in which women participate in the economy identically to men— would **contribute to as much as \$25 trillion, or 26%, to annual global GDP by 2025** (Woetzel et al 2015)
- Women have been disproportionately impacted by COVID 19 crisis and represent large share of the informal sector (90% on average in SSA)

 Insufficient standardized and comparable data limit the diagnostic and informed policy-making of gender gaps in entrepreneurship

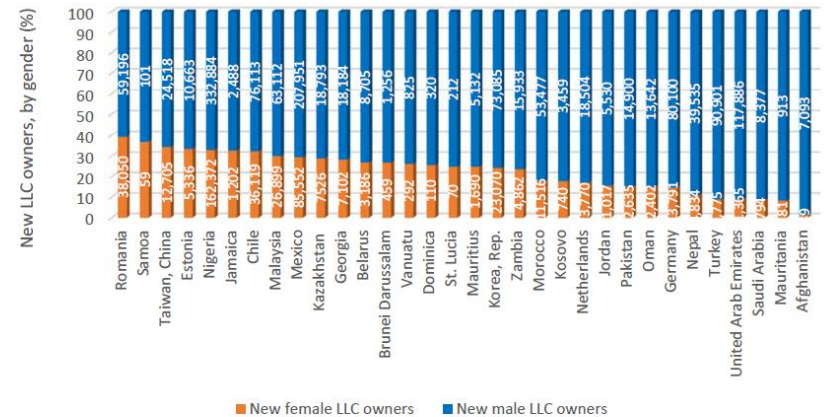
WBG entrepreneurship database points to wide variation in women business ownership across economies

Only 44 of the 143 economies participating in the Entrepreneurship database project provided some gender-disaggregated data

Data Sources



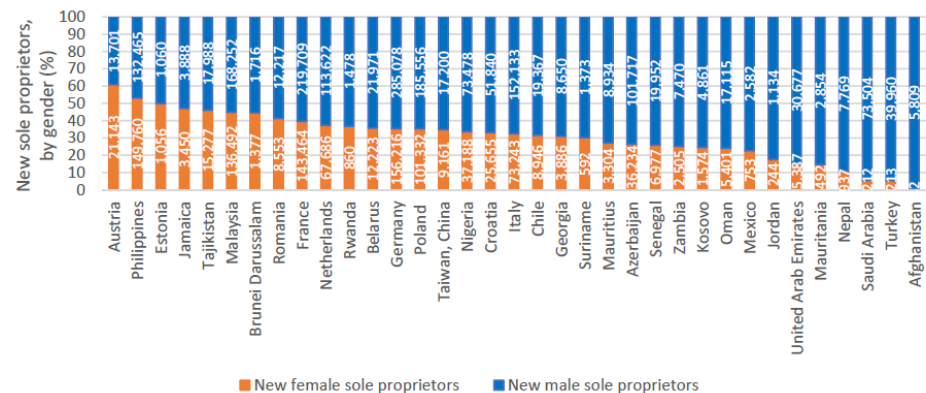
Limited Liability Company ownership by gender



Source: Entrepreneurship Database.

Note: The labels show the absolute numbers of new female LLC owners and new male LLC owners.

Sole Proprietorship by gender



Source: Entrepreneurship Database.

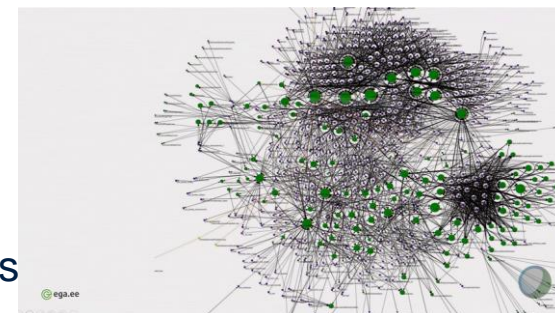
Note: The labels show the absolute numbers of new female- and male-owned sole proprietors registered in 2016.

Challenges

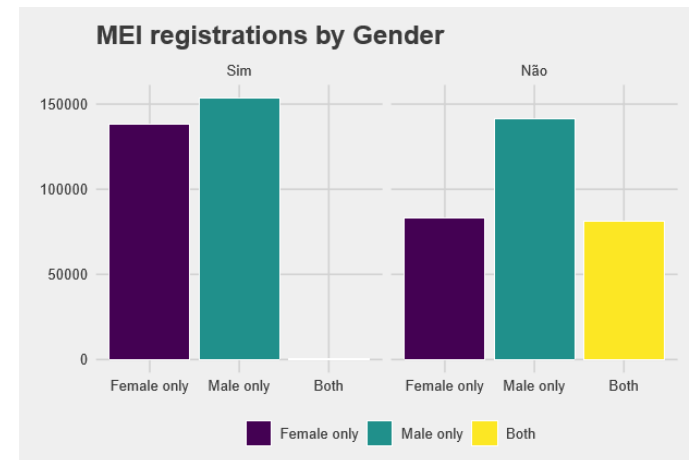
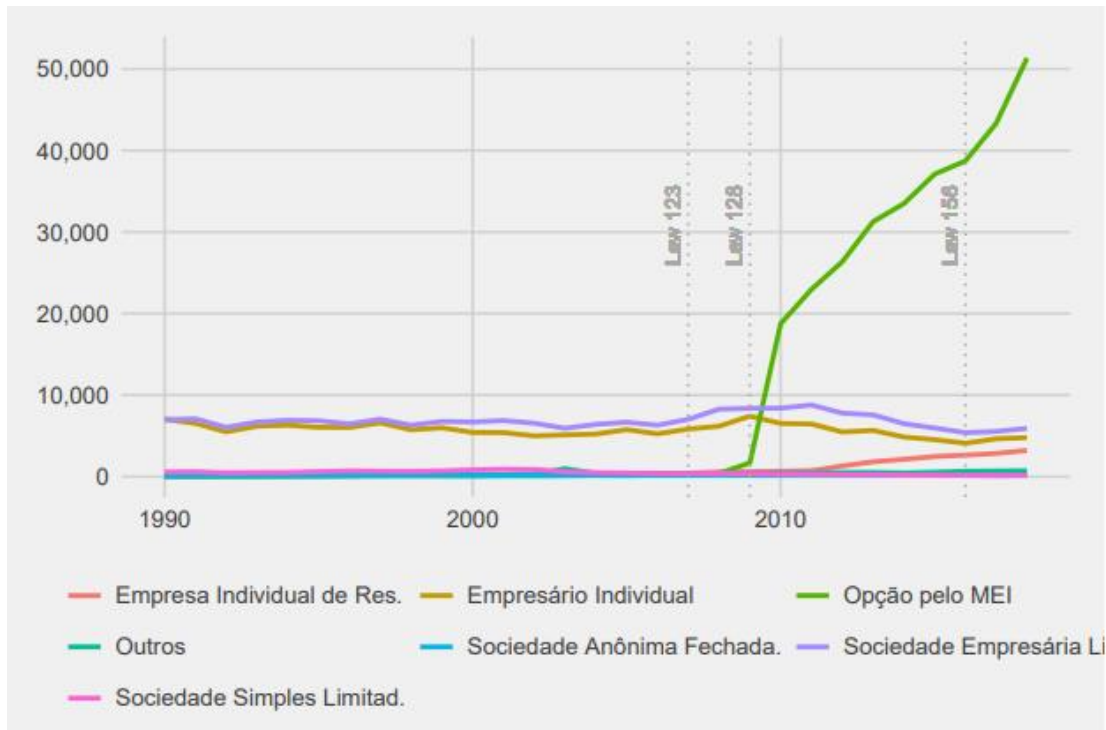
- Many countries do not have reliable business registers
- Registers could be outdated or too limited in the range of activities or sectors they cover
- Are not as accessible to the public as they should be
- Focus of reducing business registration cost and time is important but not everything
- Beware of creating “**one more stop shops**” (**physical or electronic**) that will not simplify existing procedures and create more costs than benefits
- Lack of focus on the **quality of data on businesses and commercial activity more broadly**
- **Limited use of business registers data by government in policy making**
- Due to non transparent and non accessible registers the investors do not have information they need to value investing and accessing a market

What can be done

- Build capacity in maintaining reliable and comprehensive business registers
- Ease business registration for all company types and link registry to other government agencies.
- Increase the accessibility of economic statistics to businesses
- Standardize the contents of the registration; track gender statistics
- Establish a protocol of cooperation and information exchange between all relevant registration and data collection agencies
- Institute specific mechanisms-- for automatic updating of the business register
- Bring the business registration process online



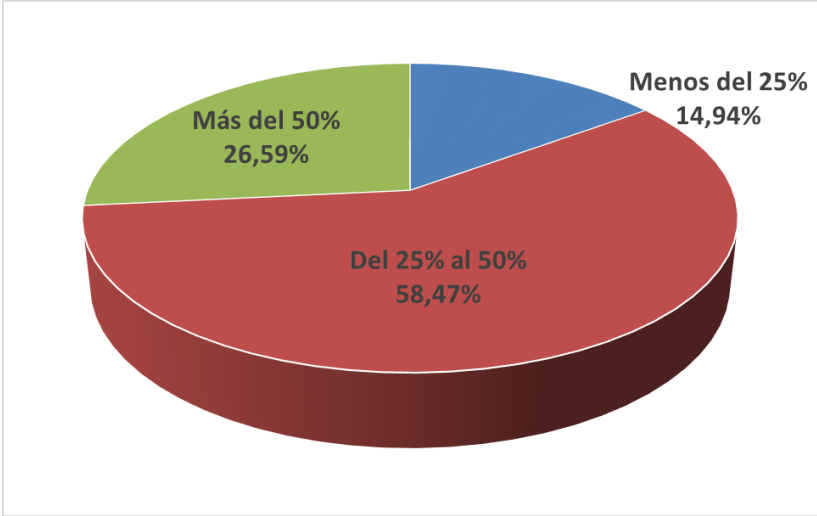
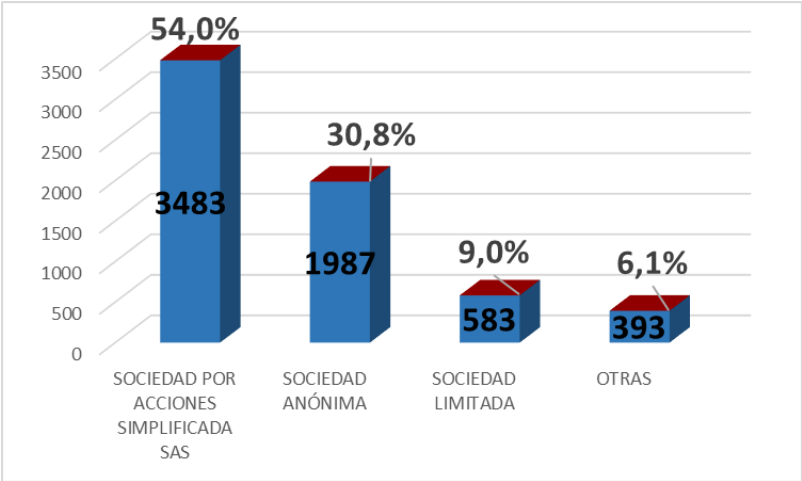
In Brazil, women entrepreneurs were encouraged to register under the MEI program



In Colombia, women benefited from simplified company type (and registration)

SAS quickly became the most common company type

In over a quarter, women controlled the executive boards



Source: Superintendencia de sociedades
Delegatura de Asuntos Económicos y Contables

Thank you !