

Ease of doing business in South Africa

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Sometimes it feels that it is tough to start a business in South Africa. It also feels that it is exceedingly difficult to do business in South Africa. But how difficult is it really?

There are various indicators that show us how difficult it really is based on certain factors. One place where one can see how difficult it is to do business in South Africa is the survey that is done annually by the International Finance Corporation and the World Bank. In this survey, 189 economies are measured on 10 topics. This is shown in the table underneath. The full survey as well as all the rankings can be found at www.doingbusiness.org/rankings.

In this table South Africa is compared to other Southern Africa (Namibia and Mozambique) countries, Brazil which is a BRICKS partner, as well as Singapore which is ranked number one and New Zealand which is ranked number three.

Doing Business	RSA	MOZ	NAM	BRA	SING	NZ
Ease of doing business	41	139	98	116	1	3
Starting a Business	64	95	132	123	3	1
Dealing with Construction Permits	26	77	31	130	3	12
Getting Electricity	150	171	72	14	6	45
Registering Property	99	152	178	107	28	2
Getting Credit	28	130	55	109	3	3
Protecting Investors	10	52	80	80	2	1
Paying Taxes	24	129	114	159	5	23
Trading Across Borders	106	131	141	124	1	21
Enforcing Contracts	80	145	69	121	12	18

It is clear from this survey that South Africa is not the worst place to do business in. That title belongs to Chad which is number 189 on the list! If you examine the list, the Africa Continent Countries or Economies are of the lowest ranked on the list where South Africa are number 41 on the list.

Mauritius is the highest rank African Economy at number 20. Interesting enough is that an economy such as Rwanda is ranked above South Africa at number 32. South Africa is then third in Africa at number 41.

Interesting assumptions from this list can be:

- It is fairly easy to deal with construction permits in South Africa, although it can take up to seven months to get your CIBD grading;
- If you need electricity, you are going to struggle in South Africa;
- Registering property in South Africa can be a challenge;
- Getting credit is also not too difficult in South Africa;
- We are good at protecting our investors; and
- Paying taxes are South Africans' strength.

In all fairness South Africa is not such a difficult place to do business in. One must just have patience and eventually you will pull through in doing business in South Africa.

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