



USAID
FROM THE AMERICAN PEOPLE



EAT | Enabling
Agricultural Trade

AGRIBUSINESS REGULATION AND INSTITUTIONS (AGRI) INDEX PILOT REPORT



NOVEMBER 2012

This report was produced for the United States Agency for International Development by the USAID/Enabling Agricultural Trade (EAT) project, implemented by Fintrac Inc.

AGRIBUSINESS REGULATION AND INSTITUTIONS (AGRI) INDEX PILOT REPORT

NOVEMBER 2012

ABOUT THE ENABLING AGRICULTURAL TRADE PROJECT

The Enabling Agricultural Trade (EAT) project, funded by the United States Agency for International Development (USAID) and implemented by Fintrac Inc., supports the US government's global efforts to create conditions for agricultural growth. USAID established EAT based on substantial academic and field experience suggesting that a sound legal, regulatory, and institutional environment is a prerequisite to economic growth in the agricultural sector. EAT offers a suite of targeted and customizable analytical tools to support startup and growth of businesses across the agricultural sector.

DISCLAIMER

The contents of this publication are the sole responsibility of Fintrac Inc. and do not necessarily reflect the views of USAID or the United States Government.

ACRONYMS

ADR	Alternative Dispute Resolution
AgBEE	Agribusiness Enabling Environment
AgCLIR	Agribusiness Commercial Legal and Institutional Reform Diagnostic
AGRI	Agribusiness Regulation and Institutions Index
EAT	USAID's Enabling Agricultural Trade project
EIA	Environmental Impact Assessment
FTF	Feed the Future Initiative
G8	The Group of Eight forum
G20	The Group of Twenty Finance Ministers and Central Bank Governors forum
Ha	Hectare
MoA	Ministry of Agriculture
M&E	Monitoring and Evaluation
USAID	United States Agency for International Development
USD	United States Dollars

CONTENTS

EXECUTIVE SUMMARY	4
Key Findings	5
AGRI INDEX BACKGROUND	8
Empirical Evidence and Theory of Change	8
Overview of AGRI Index	9
PRELIMINARY DATA FROM AGRI INDEX PILOT COUNTRIES	12
Data Highlights by Topic	12
AGRI Index Summary Data	17
THE AGRI INDEX PILOT	21
Design and Uses of the AGRI Index	21
Pilot Process	22
Lessons Learned	24
BEYOND THE AGRI INDEX PILOT	36
Proposed Uses of the AGRI Index (2012-2014)	36

Further information, including the full AGRI dataset by topic and by country, can be found in the following separate files (available upon request):

- Annex 1:** Data from Pilot Countries (Bangladesh, Kenya, Nepal, Uganda, and Zambia)
- Annex 2:** Final Surveys by Topic
- Annex 3:** Round 1 and Round 2 Contributors

EXECUTIVE SUMMARY

Citizens everywhere expect their governments to ensure some level of safe, affordable, and abundant food supplies. As a result, governments treat the business of agriculture unlike any other sector. Despite the importance of agriculture, or perhaps because of it, this unique treatment frequently leads to distinct and disproportionate obstacles to agribusiness' start-up, operation, and long-term growth. What are governments and donors to do?

AGRI INDEX TOPICS

1. Obtaining Inputs
2. Starting and Operating a Farm
3. Employing Agricultural Workers
4. Accessing Rural Land
5. Accessing Finance
6. Complying with Taxes
7. Trading Agricultural Goods
8. Resolving Contract Disputes

Over the last few years, donors and governments have increased their investments in the agricultural sector with the objective of increasing economic growth and improving food security. Despite these investments, they **lack actionable data on the array of laws and regulations that affect agribusiness performance**. To drive discussion about the agribusiness enabling environment (AgBEE), to increase the urgency for reform, to empower stakeholders in the agricultural sector, and to develop a consistent and comparable measure of agribusiness regulations, the United States Agency for International Development (USAID) commissioned the Enabling Agricultural Trade (EAT) project to develop and pilot the Agribusiness Regulation and Institutions (AGRI) Index.

The AGRI Index represents the first attempt at producing a cross-country benchmarking tool to measure the legal, regulatory, and institutional barriers faced by agribusinesses. The AGRI Index can assist governments, donors, and private companies by providing objective, comparable measures of the regulatory and administrative processes agribusinesses must routinely undertake. The topics covered and data provided in this report represent a step forward in understanding the different approaches taken by governments, and the relative ease of operating an agribusiness under each of these regulatory regimes.

In assessing the legal and regulatory framework, the AGRI Index draws upon a considerable body of empirical evidence that demonstrates government regulation is an important determinant of growth,² affecting rates of entrepreneurship,³ trade,⁴ and investment.⁵ Drawing inspiration from the World Bank Group's Doing Business index, the AGRI Index focuses on barriers that can be reduced in a relatively short timeframe through discrete legal, regulatory, or administrative changes. The underlying hypothesis is that positive reforms in the areas measured by the AGRI Index will make starting and operating an agribusiness easier and more profitable, **thereby leading to increased productivity and investment, higher employment and income, improved food security, and greater economic growth.**

The AGRI Index addresses eight core topics that are particularly relevant to agribusiness and span the lifecycle of a small- to medium-sized enterprise (see text box). For each topic, agriculture and legal experts provided input and advice to define business cases and indicators in order to capture the time, cost, and procedures necessary to fulfill regulatory requirements and to assess the extent to which legal systems are favorable for agribusiness operations. Combined, the AGRI topics and indicators provide a **comprehensive index to assess the AgBEE in a given country, across countries, and over time.**

¹ The term "agribusiness" in this report is used to encompass (1) commercially oriented farms and producers, and (2) businesses that (a) provide inputs such as improved seeds and fertilizer; (b) buy and trade agricultural goods, and (c) mill or process commodities into food products.

² See for example: Antonio Ciccone and Elias Papaioannou, "Red tape and delayed entry," *European Central Bank Working Paper Series 758* (2007).

³ Silvia Ardagna and Annamaria Lusardi, "Explaining International Differences in Entrepreneurship: The Role of Individual Characteristics and Regulatory Constraints," *National Bureau of Economic Research Working Paper 14012* (2009).

⁴ Andrei Levchenko, "Institutional Quality and International Trade," *International Monetary Fund Working Paper 04/231* (2006).

⁵ Jamal Ibrahim Haidar, "Investor protections and economic growth," *Economics Letters 103.1* (2009).

The AGRI Index results described in this report confirm the pilot’s original hypothesis: agribusinesses face significant regulatory and institutional burdens that reduce profitability and diminish their ability to drive agricultural growth and improve food security. The AGRI Index pilot identified and quantified the significant time and cost investments required for such basic activities as transferring title of rural land and obtaining input provider licenses (see Figure 1). More than 200 contributors participated in the AGRI pilot across five countries, providing detailed and previously unmeasured data on agribusiness regulatory requirements. Such data have the power to build awareness and increase discussion around key AgBEE issues and are a starting point on the path to policy reform.

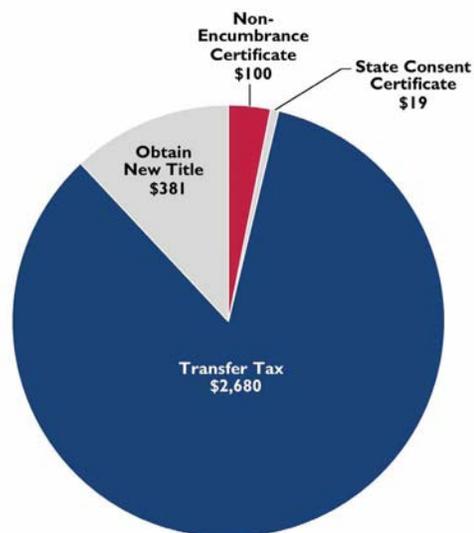
The pilot was conducted in two rounds: Round 1 was conducted in Kenya, Uganda, and Zambia and Round 2 was conducted in Bangladesh and Nepal. Round 1 informed substantial modification to AGRI topics including the addition of topics on customary land,⁶ warehouse receipts systems, and alternative dispute resolution (ADR) mechanisms, and the removal of topics that proved less relevant to the agricultural sector. The piloting process also highlighted the best-suited individuals and institutions to respond to AGRI questionnaires and efficient methods of identifying them and soliciting participation.

KEY FINDINGS

» **Agribusinesses routinely face burdensome regulatory requirements involving numerous costly procedures and lengthy delays.** In some instances, the burden of compliance is more significant than the cost of official fees. (See text box below).

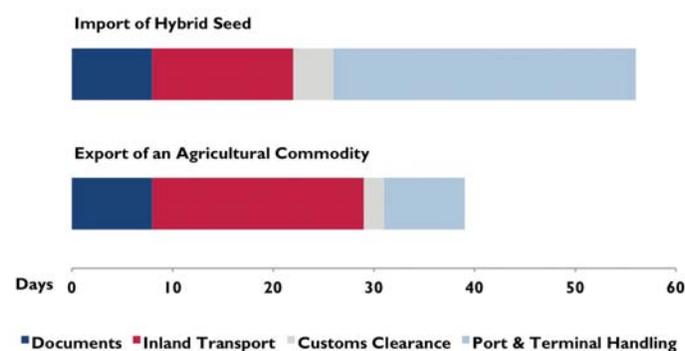
In Zambia, a 50-hectare (Ha) commercial grain farm owner must make 62 payments per year in person to tax authority offices. Compliance takes almost 550 hours per year because of congested offices and long wait times. Multiple Zambian farmers reported that filing and making tax payments, and not the tax rate itself, is “the biggest issue” in paying taxes. In Nepal, lengthy delays restrict agribusinesses’ ability to export agricultural goods and to access high-yielding seeds (see Figure 2). Because of delays at Kolkata port and poor ship availability, port and terminal handling for seed imports takes an average of 30 days.

FIGURE 1: REGISTERING TRANSFER OF TITLE OF RURAL LAND IN ZAMBIA TAKES 41 DAYS, USD \$3,180



Transferring Title of Rural Land in Zambia (by cost)

FIGURE 2: LENGTHY DELAYS TO TRADE IN NEPAL
It takes longer to import hybrid seed (56 days) than it does to grow it



Export and Import of Agricultural Products in Nepal (by time)

⁶ “Customary land” refers to land whose ownership and usage is governed by traditional bodies within indigenous communities, as opposed to by the state or state law (i.e. statutory land).

» **For agribusiness operations, lack of a regulatory framework can be as detrimental as overregulation.**

In the short-term, a complete lack of a regulatory framework creates a high degree of uncertainty, preventing agribusinesses from being able to plan, train, and operate effectively. In the long-term, the absence of appropriate regulation (for example, with respect to agro-input quality, land use, and workplace safety and health) has negative effects on the entire agricultural sector:

The lack of a regulatory framework for registering new non-cereal seed varieties has forced seed providers in Nepal to adopt a “wait and see” approach until new policies are implemented.

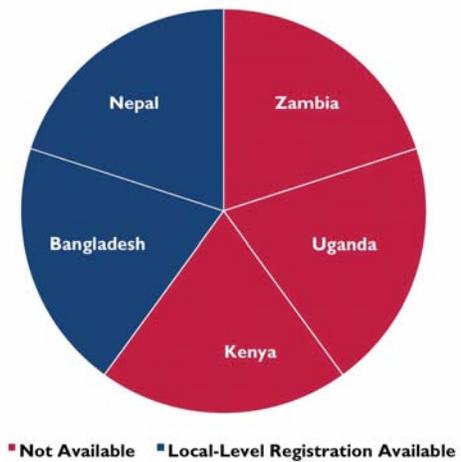
» **The agricultural sector often faces intrusive government policies and market interventions.**

Policies that limit the availability of inputs and prohibit agribusinesses from trading certain agricultural goods across the border can reduce agricultural productivity and restrict access to markets. Although evaluating the legitimacy of market controls and interventions does not fall directly within the scope of a tool such as AGRI, such policies represent important context for interpreting AGRI data.

» **Rural agribusinesses have limited access to government offices and services.**

Lack of physical access proved to be a significant issue in Kenya, Uganda, and Zambia. Although necessary forms and documents on regulatory requirements may be publicly available, they must be submitted in person at a limited number of locations. This creates an environment where resource-poor households and businesses are unable to complete the basic steps necessary to start and operate their businesses.

FIGURE 3: THREE OF FIVE AGRI PILOT COUNTRIES DO NOT HAVE ACCESS TO LOCAL-LEVEL BUSINESS REGISTRATION



Registering land in three of five pilot countries could only occur in one or two cities because key documents are stored—only in hard copy—in centralized offices. Hiring an agent/facilitator to complete these processes substantially raises costs (for example, 20 times in Zambia) and effectively blocks small and rural agribusinesses from accessing these necessary government services.

» **Resource and capacity constraints limit the ability of government institutions to enforce regulations critical to agribusiness start-up and operation.**

As a result, agribusinesses face long and unpredictable delays when completing regulatory and administrative requirements.

In Uganda, the Agrochemicals Board is supposed to meet once a quarter, but it often does not because of lack of funding. Providers of fertilizer and crop protection chemicals applying for a Suitability of Premises license face further delays for Board approval, and then must wait an additional three months for an inspection because there are few inspectors.

» **Opaque regulations are poorly coordinated across ministries.** Neither agribusinesses nor ministries themselves know the full extent of licenses and regulations that may apply.

An official in Zambia's Ministry of Agriculture (MoA) noted that he himself "had a hard time figuring out" all licenses and registrations required by the MoA for a farm, much less the involvement from other agencies such as the environmental management agency, agricultural research institute, or local councils.

» **Irregular or unpredictable enforcement can add further delays and costs to compliance.** Substantial academic literature and practical experience suggest that an unpredictable business environment reduces investment and sales and creates disincentives for agribusinesses to operate in the formal economy.⁷

In Kenya, it can take 111 days to obtain operational licenses for a staple grain⁸ farm versus 10 days in neighboring Uganda, because of a month-long rezoning process, two months for an Environmental Impact Assessment (EIA) triggered by planting new crops, and three weeks for a registration of premises permit for storing pest control products. Contributors noted, however, that it was unclear whether these license requirements would actually be enforced.

⁷ Daniel Kaufmann, Geeta Batra, and Andrew H.W. Stone, "The Firms Speak: What the World Business Environment Survey Tells Us About Constraints on Private Sector Development," *World Bank Working Paper Series* (2003).

⁸ For purposes of the AGRI Index, a staple grain is a type of edible grain — typically maize, wheat, rice, or other cereal — that is widely consumed in a region or country and provides a significant portion of a standard diet in terms of energy intake.

AGRI INDEX BACKGROUND

USAID's EAT project, under which AGRI is being implemented, is part of the US Government's global efforts to create favorable conditions for agricultural growth. EAT project tools, such as the Agribusiness Commercial Legal and Institutional Reform Diagnostic (AgCLIR), are increasingly used by governments, donors, and the private sector to diagnose systemic issues across the agribusiness sector and to chart a path forward. What has been missing from this body of work is a **systematic comparison across countries of the time, cost, and procedures required for regulatory compliance.**

It was with this context in mind that USAID and EAT undertook the AGRI Index pilot, believed by both parties to **address a missing link in the reform process.**

The AGRI Index as a concept reflects two fundamental principles: **(1) the private sector is the driver of growth in nearly all dynamic agriculture systems, and (2) governments can do more to catalyze agricultural sector growth by improving the regulatory and institutional environment for agribusinesses.** Calls for such an index have come from bilateral and multilateral donors, governments, and private sector bodies since the global food crisis in 2008.

The AGRI Index presented here is the outcome of an eleven month process of design, testing, consultation, and expert review. It provides the basis for comparing economies, identifying reform priorities for the agricultural sector, and tracking progress of reforms in a particular economy over time.

EMPIRICAL EVIDENCE AND THEORY OF CHANGE

Cross-country empirical analyses strongly suggest that practices such as license-based rationing⁹ and inordinate regulatory burdens¹⁰ are detrimental to growth in the agricultural sector. Findings from AgCLIR and other agribusiness enabling environment (AgBEE) analyses in Africa and Asia consistently report a continued use of regulatory controls unique to the sector (e.g., SPS¹¹ inspections, licensing of inputs) characterized by time, cost, and procedural requirements, or lack of established requirements, that hinder agribusiness growth. For example, a seed provider in Nepal has to wait 56 days to import hybrid seed, just long enough to miss a complete growth cycle for most horticultural crops.

Enabling agribusiness growth from a system perspective depends on the provision of public goods, including a secure, stable legal and regulatory environment, and sufficient regulatory space for private enterprise to operate, without undue risks or costs of entrepreneurial activity. Drawing on the "regulation and growth" research of Djankov et al¹² and inspired by the Doing Business index, the EAT project started the AGRI Index pilot based on the following observed needs:

- » Donors and governments are increasing their investments in the agricultural sector, but lack actionable data on the efficiency and effectiveness of the regulatory and administrative mechanisms that govern the sector in general and the agribusiness space in particular.
- » No index exists that can leverage the power of cross-country benchmarking to capture the attention of policymakers and create a sense of urgency around AgBEE reforms.

⁹ Kym Anderson and William Masters, eds., *Distortions to agricultural incentives in Africa*, (Washington, DC: World Bank, 2009).

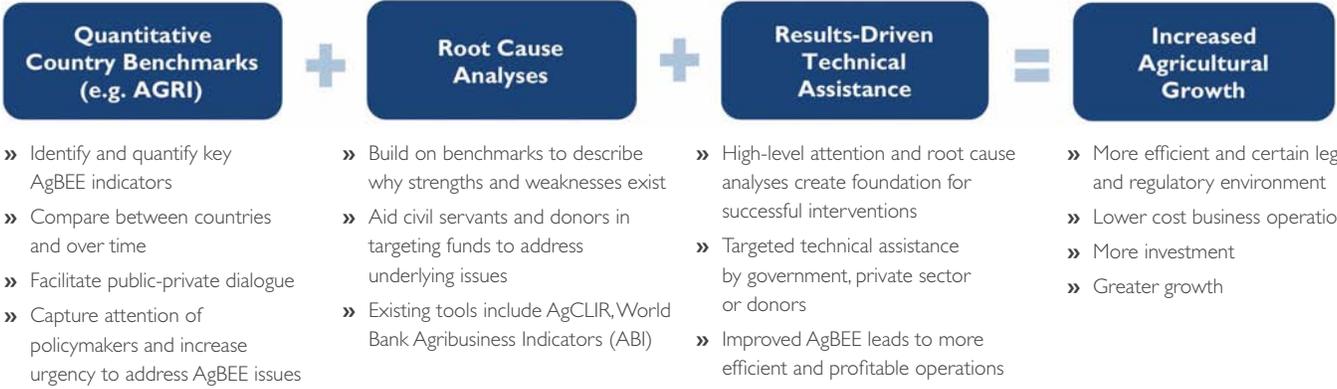
¹⁰ Simeon Djankov, Caralee McLeish, and Rita Maria Ramalho, "Regulation and Growth," *World Bank* (2005).

¹¹ "SPS," or Sanitary and Phytosanitary Standards, are international health and safety standards that seek to protect human, animal, and plant health against risks arising from the spread of pests and disease and the existence of toxins or contaminants in food and feed. SPS measures often apply in the context of the international trade of goods.

¹² Djankov, et. al., "Regulation and Growth."

Figure 4 below depicts a reform model in which benchmarking of high-level agribusiness indicators is a catalyst in the AgBEE reform process. In this model, an index such as AGRI serves a specific function in the process of reforming the agricultural sector. A successful agribusiness index should enable and lead to the following: **(1) a more empowered private sector armed with objective information to focus calls for reform, (2) increased urgency within government to take action on issues that cost agribusiness significant time and money, and (3) greater competitive pressure between countries to reform.** The next steps in the reform model involve deeper causal analyses, technical assistance to address findings from these analyses, and long-term commitment to reform by all parties.

FIGURE 4: DEVELOPING A REFORM MODEL



OVERVIEW OF AGRI INDEX

The AGRI Index was designed to provide an objective basis for assessing the agribusiness environment using a relatively small set of indicators. The AGRI Index uses quantitative, standardized indicators that capture regulations and administrative procedures that apply throughout the lifecycle of an agribusiness and affect the ability to operate efficiently. These indicators were grouped into topics drawn from the core topics covered in AgCLIR diagnostics and modified from Doing Business’ original list. For each topic, indicators capture the time, cost, and procedures for fulfilling regulatory requirements involved in operating an agribusiness in practice and assess objective characteristics of a country’s legal and regulatory framework.

A short survey was constructed for each topic based on input from agricultural and legal experts. Surveys were sent by email to contributors in each country. AGRI utilized a “key informant” methodology to identify and collect data from agricultural and legal experts in each country. The data collected for the pilot involved both completed written surveys and in-person interviews.

Survey format and questions utilized standard business cases to cover a range of agribusinesses along the value chain, including suppliers of seed, fertilizer, and other production inputs; small- to medium-sized commercial farms located in a peri-rural¹³ setting; and market agents buying and transporting commodities. In each survey, the case specified characteristics about the agribusiness such as size, location, number of employees, and types of activities. See Table 1 for a summary of each of the eight AGRI topics and related indicators.

¹³ For purposes of the AGRI Index, “peri-rural” means a rural area with low population density, but within 100km of and with relatively easy access to a main commercial center.

Pilot testing was conducted in Kenya, Uganda, and Zambia (Round 1) and Bangladesh and Nepal (Round 2) during 2012. Pilot countries were selected from a list of the US government's *Feed the Future* focus countries and from different regions to allow for regional comparisons. The preliminary data collected from these five countries are presented in the "Preliminary Data from AGRI Index Pilot Countries" section of this report. The methodology and lessons learned from the pilot are detailed in "The AGRI Index Pilot" section.

TABLE I: DESCRIPTION OF AGRITOPICS AND INDICATORS

TOPIC	INDICATORS
Obtaining Inputs	Procedures, time, and cost for (1) operational licenses, and (2) new variety/product registration process for providers of seed, fertilizer, and crop protection chemicals
Starting and Operating a Farm	Procedures, time, and cost for business registration and licensing (including re-zoning for agriculture, environmental impact assessment, agro-input storage, worker safety/health, and trading licenses) for a 50-hectare staple grain farm
Employing Agricultural Workers	(1) Procedures, time, and cost for employing a highly skilled expatriate engineer, and (2) index assessing the legal and regulatory basis for seasonal and migrant labor
Accessing Rural Land	(1) Procedures, time, and cost for transferring title of a 50-hectare staple grain farm, (2) index on access to and usage of customary land, and (3) index on access to property registration information
Accessing Finance	(1) Index on types of agricultural collateral allowed by legal and regulatory framework, and (2) index on access to and functioning of registries for movable collateral, and (3) index on legal framework for warehouse receipts systems
Complying with Taxes	(1) Applicable taxes, (2) number of payments per year, (3) time required for tax compliance, (4) deductions and exemptions, and (5) total effective tax rate for a 50-hectare staple grain farm
Trading Agricultural Goods	Documentation, time, and cost to (1) export a widely traded agricultural commodity and (2) to import hybrid seed
Resolving Contract Disputes	(1) Procedures, time, and cost to resolve a claim of side-selling by farmer cooperative, and (2) index on access to ADR mechanisms, small claims court, or expedited court procedures

INDICATOR BREAKDOWN: LICENSING A CROP PROTECTION CHEMICALS PROVIDER

A dynamic farm sector requires access to modern inputs for production. Firms that trade in such inputs, generally referred to as “agro-input dealers,” may handle a range of agricultural inputs (such as fertilizer, herbicide, pesticide, farm machinery, and irrigation equipment) or specialize in one. Some are importers, others are wholesalers, and still others retail their products direct to farmers in rural areas. AGRI measures the (1) business licenses for operations and (2) procedures to register new products for three types of agro-input dealers that play multiple roles in the supply chain—specifically, providers of seed, fertilizer, and crop protection chemicals. Together, these indicators comprise the Obtaining Inputs topic.

Figure 5 breaks down the time, cost, and procedures that a firm providing crop protection chemicals in Uganda must follow to obtain the licenses and approvals necessary to operate its business. This example illustrates the type of concrete data collected by AGRI. **Such data provide detailed information on key agribusiness regulatory processes, highlight where constraints may exist, and have the potential power to lead towards regulatory reform.**

For a Ugandan crop protection chemicals dealer based in a rural area, limited access to government offices poses the first hurdle. The Agrochemicals Board which approves licenses is located in Entebbe, and a rural crop protection chemicals dealer must apply in person or through an agro-input dealer association representative.¹⁴ In addition, the Agrochemicals Board has a limited number of inspectors and limited funds to hold quarterly board meetings to approve business licenses. As a result of these resource and capacity constraints, a Ugandan crop protection chemicals dealer will spend an average of 200 days obtaining all necessary licenses and permissions. These lengthy and unpredictable delays contribute to high levels of informality in the sector; industry representatives estimate that only 30 percent of Uganda’s 2,300 agro-input dealers are formally licensed.

FIGURE 5: LICENSES AND PERMISSIONS FOR CROP PROTECTION CHEMICALS PROVIDER IN UGANDA

PROCEDURE	TIME (DAYS)	COST (USD)
1. Obtain Suitability of Premises License Agrochemicals Board	180	\$21
2. Inspection for Suitability of Premises License Agrochemicals Board	Simultaneous with Procedure 1	0
3. Obtain Dealership License Agrochemicals Board	Simultaneous with Procedure 1	\$62
4. Inspection for Dealership License Agrochemicals Board	Simultaneous with Procedure 1	0
5. Payment for Suitability of Premises and Distribution License Commissioner of Crop Protection	15	0
6. Obtain Local License Municipal/Town Council	5	\$62
Total Procedures: 6	200 Days	USD \$145

¹⁴ Crop protection chemical providers in Uganda are represented by the Uganda National Agro-Input Dealer Association. Under Ugandan law, agro-input dealers may stock seed, fertilizer, and crop protection chemicals all together; but not veterinary drugs.

PRELIMINARY DATA FROM AGRI INDEX PILOT COUNTRIES

The AGRI Index measures the time and cost required for an agribusiness to complete key regulatory and administrative procedures and the extent to which legal systems and rights are favorable for agribusiness operations. Procedures are defined as discrete interactions between an agribusiness and external parties, including government offices, professional service providers, technical experts, and inspectors. The time required for each procedure is measured in total number of calendar days, with a minimum of one day for each procedure. Costs are the total costs required by an agribusiness in practice, excluding bribes and facilitation payments.

DATA HIGHLIGHTS BY TOPIC

The following section highlights the data collected in AGRI's five pilot countries (Bangladesh, Kenya, Nepal, Uganda, and Zambia). A summary chart can be found at the end of this section and the entire AGRI dataset, including breakdowns by topic, indicator, and country, can be found in Annex 1. When taken together, data on the eight AGRI topics form the basis of a comprehensive index assessing the enabling environment for agribusiness in a given economy. The data can also provide relevant and meaningful comparisons between countries.

I. Obtaining Inputs

Slow, unpredictable, or expensive licensing regimes for input providers increase operating costs and discourage starting a new business. The impact of such inefficiencies can be felt along the entire value chain. At the same time, inefficient processes for registering the latest agro-input products prevent farmers from accessing new technologies and limits the ability to dramatically increase crop yields. The Obtaining Inputs topic therefore measures the time, cost, and procedures for obtaining operating licenses and for seed, fertilizer, and crop protection chemical providers to register new varieties or products.

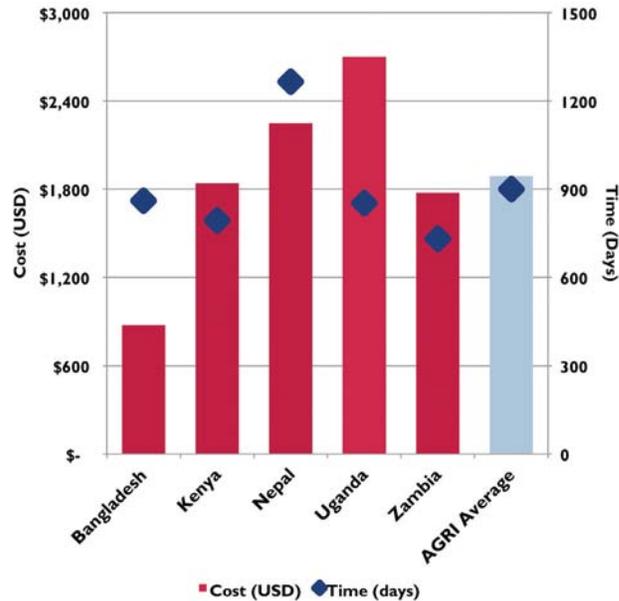
Seed

» It costs USD \$1,509 for Kenyan seed providers to comply with all regulatory procedures (vs. USD \$423 in Uganda, USD \$159 in Zambia, and USD \$110 in Bangladesh) because **in Kenya, seed business license fees alone cost USD \$1,200.**

» **Time to license a seed company varied widely across AGRI Index pilot countries.** It takes about one month to obtain a seed business license in Kenya, Nepal, and Uganda, but only one day in Zambia and one week in Bangladesh. In Nepal, seed companies must obtain a recommendation letter from the local District Agriculture Office and complete a one-day training session. In Bangladesh, respondents noted that because the government wants to encourage registration and formalization among the country's 16,000 licensed dealers, seed business licenses are free and easy to obtain.

» In Bangladesh and Nepal, new seed varieties must be listed in the national gazette before companies can begin selling them. This step takes an average of one month in Bangladesh and one year in Nepal. As a result, the total process to register a new seed variety takes 1,265 days in Nepal, more than a year longer than the 860 days in Bangladesh and 731 days in Zambia. (See Figure 6.)

FIGURE 6: SEED REGISTRATION CAN TAKE OVER THREE YEARS



Time and Cost to Register New Proprietary Staple Grain Variety

Fertilizer

- » In Zambia, it costs USD \$612 for fertilizer providers to obtain all necessary licenses and permissions (compared to USD \$145 in Uganda), because of the combined costs of an importation license, storage of chemicals license, and local trading license.
- » **Required permissions for fertilizer imports vary widely across countries.** No import license or permit is required in Uganda. In Nepal, no import license is required, but few private sector importers and wholesalers are active in practice—they have been driven out by significant government subsidies. However, in Bangladesh, firms must obtain both an import license from the Ministry of Commerce and a separate license from the Ministry of Agriculture, taking a total of 40 days.

Crop Protection Chemicals

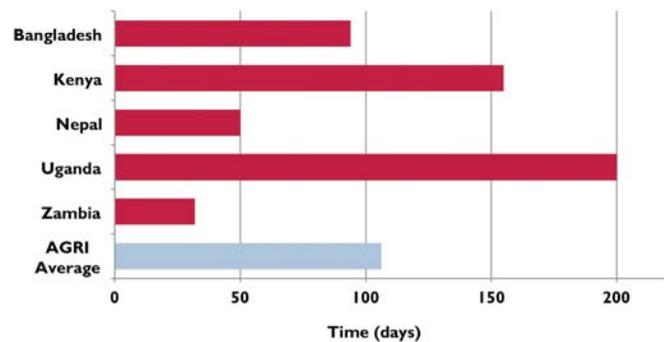
- » In Uganda, **licenses for crop protection chemical providers take 200 days to obtain**, compared to 32 days in Zambia, 50 days in Nepal, and an AGRI average of slightly over 100 days (see Figure 7). The delays in Uganda result from a lack of inspectors and irregular meetings of the Agrochemicals Board, which approves licenses. According to contributors, this partly explains why only an estimated 30 percent of agro-input dealers in Uganda are actually licensed.
- » Bangladesh's Plant Protection Wing issues six different types of agriculture-related agrochemical licenses, each with its own fee. Similarly, Kenya's Pest Control Product Board issues five licenses (retail sales, import/wholesale distribution, repacking, storage, and waste disposal). These licenses can be obtained simultaneously. **Breaking down licenses and related fees by activity makes it more affordable for small agro-input dealers** to obtain licenses for their particular activities. Licensing for a crop protection chemical provider costs USD \$55 in Bangladesh and USD \$205 in Kenya. In comparison, a single license in Uganda covers importing, repackaging, wholesale, and retail trade and costs a flat USD \$83 for large importers and small retailers alike.

2. Starting and Operating a Farm

Similar to agro-input dealers, fostering an efficient and affordable licensing regime for farms encourages business entry and formalization of the sector. The Starting and Operating a Farm topic measures the time and cost to register and obtain operating licenses and inspections for a 50 hectare staple grain farm, and includes an index on access to registration information.

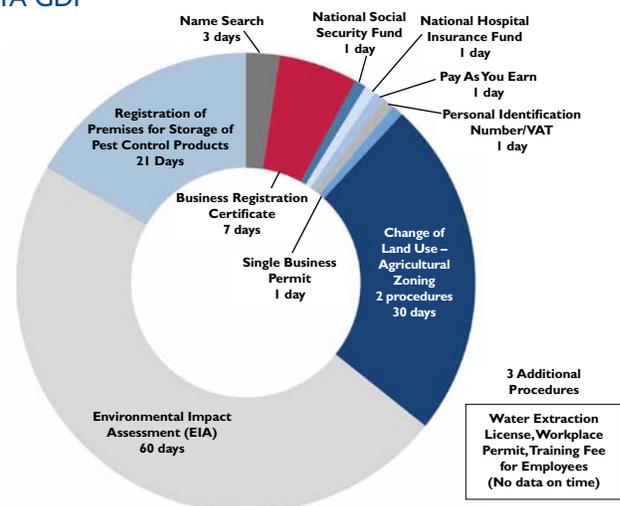
- » Although company registration documentation and information is publicly available in Kenya, Uganda, and Zambia, in none of these countries can a farm register in every province or region. In Kenya and Uganda, the central registry is located only in the capital, while in Zambia access to registration is limited to two major cities. In contrast, farms in Nepal and Bangladesh can register at the local and provincial levels.

FIGURE 7: LENGTHY LICENSING PROCEDURES FOR CROP PROTECTION CHEMICAL PROVIDERS



Time to License Crop Protection Chemical Provider

FIGURE 8: NUMEROUS PROCEDURES TO START A FARM IN KENYA – 14 PROCEDURES, 126 DAYS, AND 19% OF PER CAPITA GDP



Procedures to Start and Operate a Farm in Kenya (by time)

» **The cost of business registration is 10 times greater in Nepal than in Kenya, Uganda, or Zambia**—USD \$225 compared to less than USD \$20 in each of the three Sub-Saharan African countries—due to a relatively high registration fee in Nepal.

3. Employing Agricultural Workers

The availability of labor is vital for agribusinesses of all types, whether that involves high-skilled workers designing a complex irrigation system, or seasonal workers harvesting produce. The Employing Agricultural Workers topic assesses (a) the time and cost to hire a highly skilled expatriate engineer, and (b) the strength and flexibility of the legal and regulatory framework to hire seasonal and migrant workers.

» In Uganda, few procedures are required for hiring a skilled expatriate, but the process takes 130 days because of intermittent Immigration Board meetings required for approval. In comparison, Kenya’s work permit process takes 95 days, but costs significantly more (USD \$1,225 vs. USD \$750) because of the cost of an entry permit. (See Figure 9.)

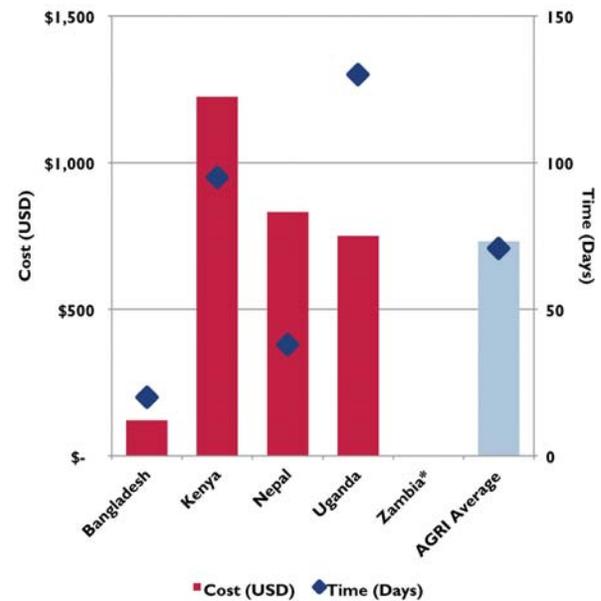
» In Nepal, **firms must obtain three separate recommendation letters** from local and national government offices before applying for a work permit, which adds an average of 22 days to the process. It still takes less time to hire an expatriate in Nepal than in Kenya (38 days in Nepal compared to 95 days in Kenya).

» Nepal’s labor law defines seasonal enterprises and limits casual employment to one season, or less than 180 days (compared to 90 days in Kenya). In Bangladesh, however, farm workers are excluded from provisions and protections of the Labor Act due to the manner in which places of employment are defined in the Act.¹⁵

4. Accessing Rural Land

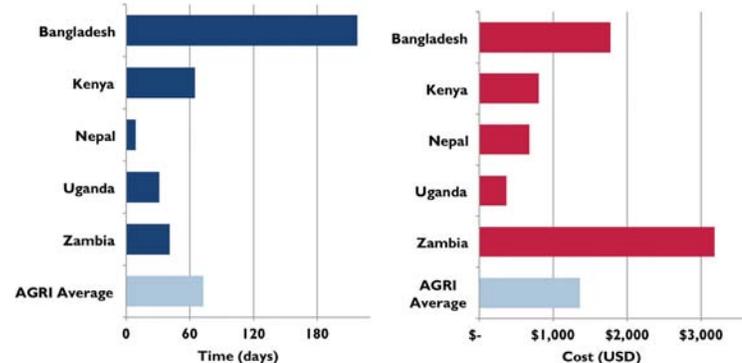
Clear and stable property rights are critical to the long-term investments in land and infrastructure that drive agricultural production. Inefficiencies in transferring title of rural property, and the inability to utilize customary land, stifle the market and diminish the value of these rights. The Accessing Rural Land topic covers the process to transfer title for a peri-rural staple grain farm, and includes indexes on access to property registration information and access to and usage of customary land for agricultural production.

FIGURE 9: LARGE VARIATION IN TIME AND COST TO HIRE A SKILLED EXPATRIATE WORKER



Time and Cost to Hire Skilled Expatriate Worker
*Zambia: No data collected

FIGURE 10: TIME AND COST TO REGISTER TITLE TRANSFER OF RURAL LAND



¹⁵ Contributors noted that the 2006 Labor Act’s definitions of “establishment” and “industry” exclude farm workers. Additionally, the law excludes agricultural farms with less than 10 full-time workers. Although AGRI does not directly assign a score as to whether agricultural workers have legal protections, no country should be rewarded for neglecting the core rights of any worker. In order to address this issue, minimum thresholds may be incorporated in future iterations of this indicator (should it continue to be used).

- » **In Nepal, procedures required to transfer title of rural land are relatively straightforward and only take nine days to complete.** Effectuating a transfer deed and receiving a modified land ownership certificate can be accomplished in one day. In contrast, transferring title takes 218 days in Bangladesh due to the need to “mutate” the land into the seller’s name in order to be able to transfer it, and to verify title and obtain certificates from regional, district, and village level land offices and government agencies.
- » In Kenya, there are only two land registries (in Nairobi and Mombasa) available for conducting land title investigations, increasing the time required to investigate title to 14 days, compared to four days in Uganda and three days in Nepal (which have land offices at the district and village levels).
- » **In Kenya, inspections by a government valuation official add an additional 30 days** to the process of registering a title transfer.
- » Title transfer costs USD \$1,774 in Bangladesh and USD \$3,180 in Zambia (vs. USD \$677 in Nepal and USD \$366 in Uganda) due to transfer taxes of 6 percent and 5 percent of consideration in Bangladesh and Zambia, respectively (compared to 1 to 2.5 percent in other AGRI Index pilot countries).

5. Accessing Finance

Finance is often one of the largest constraints for agribusinesses seeking to grow and trade. Increased lending to the agricultural sector is predicated on a strong legal and regulatory framework that takes into account the unique needs of agribusinesses (though many other market factors are also relevant). That framework includes allowing movable agricultural assets to be registered as collateral, and encouraging grain storage and trading through a warehouse receipts system. The Accessing Finance topic includes indexes on the types of agricultural collateral allowed by the legal and regulatory framework, on access to and functioning of movable collateral registries, and on the legal framework for warehouse receipts systems.

- » **In Zambia, the legal framework for agricultural charges covers almost all types of movable agricultural collateral, contributing to an Agricultural Collateral Index score of 9 out of 10** (see Figure 11). Similarly, general charges in Bangladesh and chattel mortgages in Kenya cover a wide range of movables in theory. However, in practice these charges are rarely used by financial institutions to cover agriculture-related movables (such as crops and livestock) and lending to the sector remains limited because of the perceived high risks of lending on movable collateral and to the agricultural sector more broadly.
- » **Land is considered the strongest form of collateral across all pilot countries** and is the most widely accepted (and sometimes mandated) by financial institutions.

FIGURE 11: AGRICULTURAL COLLATERAL INDEX (OF 10)

BANGLADESH	KENYA	NEPAL	UGANDA	ZAMBIA
6	9	7	8	9

Note: Score based on the legal right to accept as collateral ten types of movable, immovable, and intangible assets commonly available to agribusinesses. Higher scores represent a stronger legal framework.

6. Complying with Taxes

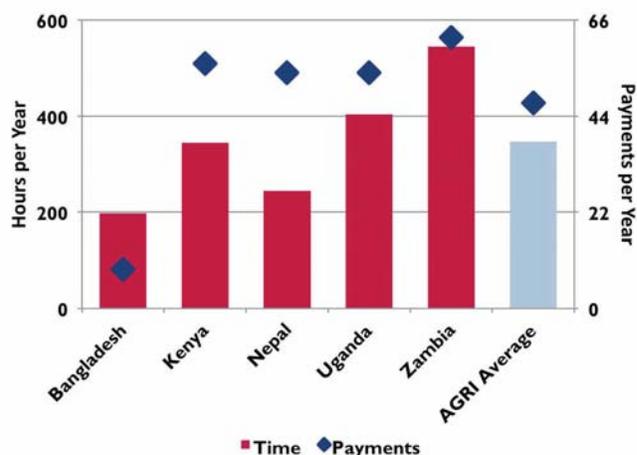
Complying with tax requirements can be equally if not more burdensome for agribusinesses than the total tax rate. Small- to medium-sized agribusinesses frequently lack easy access to tax offices, which are often located at some distance from rural areas. Therefore, the Complying with Taxes topic not only assesses the total effective tax rate for a peri-rural 50 ha staple grain farm, but also the total number of payments and the total time involved in document preparation, filing, and payment.

» **Sole proprietor farms in Bangladesh make very few tax payments** (9 payments vs. 62 payments in Zambia and 54 payments in Nepal). In practice, across AGRI Index pilot countries the vast majority of producers are informal smallholders that do not fall under the tax net.

» **Tax compliance in Zambia requires 545 hours for preparation, filing, and payment**, compared to 344 hours in Kenya and 244 hours in Nepal (see Figure 12). Several taxes require monthly in-person filings at congested tax offices.

» The total effective tax rate (percent of profit) is 10.1 percent in Zambia due to a lower business income tax rate for the agricultural sector. In comparison, the total effective tax rate for agribusinesses is 28.4 percent in Kenya and 34.6 percent in Nepal.

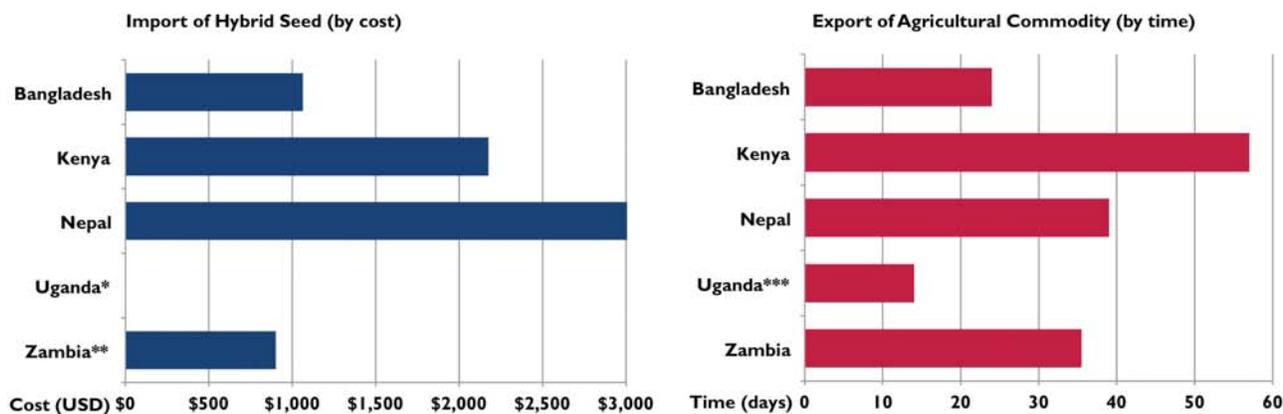
FIGURE 12: NUMBER OF TAX PAYMENTS AND COMPLIANCE TIME FOR 50 HA STAPLE GRAIN FARM



7. Trading Agricultural Goods

Border processes that are predictable and integrated across government agencies minimize delays and associated costs and improve the price and availability of agricultural goods. However, traders often face unpredictable costs and delays when moving agricultural goods across borders. The Trading Agricultural Goods topic measures the time, cost, and procedures to obtain documents, clear customs, and transport goods to and through the most commonly used seaport. The cases for this pilot were designed to assess the import of hybrid seed and the export of a commonly traded agricultural commodity.

FIGURE 13: COST TO IMPORT HYBRID SEED, AND TIME TO EXPORT AN AGRICULTURAL COMMODITY



*Uganda: No data collected

**Zambia: No data on Inland Transport Costs

***Uganda: No data for Customs Clearance or Port/Terminal Handling Time

» In Kenya, **staple grain exports take 57 days, primarily because of unpredictable berthing delays and customs backlogs at Mombasa port.** Traders reported that these delays severely restricted their ability to deliver goods on time and to finance shipments. In Nepal, ship availability at Kolkata port adds up to five days to exports of agricultural commodities and 25 days to imports of hybrid seeds. Nepali traders can ship only through India's Kolkata port, and contributors expressed the need for routes through other Indian or Bangladeshi ports to save time and cost.

» **Eight or more regulatory bodies oversee agricultural exports in Kenya,** including crop-specific boards; as a result of these and other factors, it takes 24 days to clear customs. In contrast, in Bangladesh the entire agricultural export process takes 24 days; contributors noted that procedures are streamlined and official costs low, as long as exporters paid numerous facilitation fees.

8. Resolving Contract Disputes

Access to affordable and timely dispute resolution mechanisms encourages agribusinesses to enter into formal contracts, because the contracts can be enforced. A functioning contract system strengthens vertical linkages in the supply chain and lowers transactions costs to doing business. Too often, the formal court system is centrally located, can take years to reach a resolution, and cost far more than the initial dispute; in those instances, the formal courts are practically inaccessible to agribusinesses. Therefore, the Resolving Contract Disputes topic assesses the access to and strength of alternate dispute resolution (ADR) mechanisms, small claims court, or expedited court procedures through an index as well as through measuring the typical time, cost, and procedures to resolve a dispute.

» **In Nepal, mediation is strongly encouraged** by the government. Mediation centers have been established in nearly half of all district courts. Court-referred mediation takes 75 days and costs USD \$467—faster and cheaper than resolving a typical case in district court.

» **In Bangladesh, village courts are very active,** resolve a large number of disputes, and are faster and cheaper than magistrate or civil courts. However, village courts can only handle disputes up to a maximum amount of roughly USD \$300. Arbitration is also relatively well-utilized.

AGRI INDEX SUMMARY DATA

Table 2 summarizes the data collected during Round 1 and Round 2 of the AGRI Index pilot. Footnotes indicate those instances where data were incomplete, survey sections were not applicable, or survey structure was changed between Round 1 and Round 2. For indexes, a higher score indicates a stronger legal or regulatory framework. More detailed information breaking down all required procedures by topic, indicator, and country can be found in Annex 1.

TABLE 2: AGRI SUMMARY DATA¹⁶

	Round 1 Countries			Round 2 Countries	
	Kenya	Uganda	Zambia	Bangladesh	Nepal
I. Obtaining Inputs					
Licenses and Permissions: Seed Provider					
Procedures (number)	4	5	6	3	4
Time (days)	42	37	6	23	33
Cost (USD)	\$1,509	\$423	\$159	\$110	\$8
Registering Proprietary Staple Grain Variety					
Procedures (number)	4	5	2	5	7
Time (days)	794	852	731	860	1,265 ¹⁷
Cost (USD)	\$1,840	\$2,700	\$1,775	\$878	\$2,249
Licenses and Permissions: Fertilizer Provider					
Procedures (number)	No data	6	4	5	1 ¹⁸
Time (days)	No data	200	32	76	7
Cost (USD)	No data	\$145	\$612	\$183	\$1
Registering Fertilizer Product ¹⁹					
Procedures (number)	-	-	-	4	3
Time (days)	-	-	-	850	546 ²⁰
Cost (USD)	-	-	-	\$488	\$0
Licenses and Permissions: Crop Protection Chemical Provider					
Procedures (number)	9	6	4	7	2
Time (days)	155	200	32	94	50
Cost (USD)	\$267	\$145	\$612	\$274	\$17
Registering Crop Protection Chemical ²¹					
Procedures (number)	-	-	-	7	3
Time (days)	-	-	-	883	425
Cost (USD)	-	-	-	\$366	\$2,259 ²²

¹⁶ How to read this table: "-" = not assessed due to structural survey changes between Round 1 and Round 2. "No data" = data not collected due to lack of contributors. "N/A" = survey section not applicable; for example, there is no warehouse receipts system in Nepal.

¹⁷ Time reported is highly variable due to long delays in gazetting and sporadic meetings of National Seed Board.

¹⁸ No licenses are required for fertilizer importers or wholesalers, only a fertilizer dealer license for retail sales.

¹⁹ Not assessed in Round 1.

²⁰ Time reported is highly variable. In practice, no private firms were reported to register new fertilizer products.

²¹ Not assessed in Round 1.

²² Cost is estimated because new policies/regulations have yet to be put in place for registering crop protection chemicals.

	Round 1 Countries			Round 2 Countries	
	Kenya	Uganda	Zambia	Bangladesh	Nepal
2. Starting and Operating a Farm					
Business and Licenses: Farm ²³					
Procedures (number)	14	8	10	2	4
Time (days)	126	20	88	10	7
Cost (USD)	\$339	\$129	\$331	\$49	\$225
Access to Business Registration Index (out of 5)	3	3	4	4	2
3. Employing Agricultural Workers					
Hiring a Skilled Expatriate ²⁴					
Procedures (number)	2	3	No data	3	5
Time (days)	95	130	No data	20	38
Cost (USD)	\$1,225	\$750	No data	\$122	\$832
Hiring Seasonal/Migrant Workers Index (out of 9) ²⁵	4 (of 4)	4 (of 4)	No data	7	7
4. Accessing Rural Land					
Registering Rural Land					
Procedures (number)	7	9	4	8	5
Time (days)	65	31	41	218	9
Cost (USD)	\$804	\$366	\$3,180 ²⁶	\$1,774	\$677
Access to Property Registration Index (out of 7) ²⁷	3 (of 6)	2 (of 6)	2 (of 6)	4	3
Utilizing Customary Land Index (out of 12) ²⁸	-	-	-	N/A	N/A
Strength of Property Rights Index (out of 3) ²⁹	3	2	3	-	-
5. Accessing Finance					
Agricultural Collateral Index (out of 10) ³⁰	9	8	9	6	7
Movables Collateral Registry Index (out of 11) ³¹	-	-	-	4	0
Warehouse Receipts System Index (out of 14) ³²	-	-	-	N/A	N/A

²³ Business registration and operational licenses/permissions for a farm were addressed in separate topics in Round 1.

²⁴ In Zambia, no data was collected on this topic. In Kenya, data are based on one contributor. In Uganda, few work permits are approved in practice and the process is opaque and unpredictable. In Bangladesh, time varies based on Bangladeshi embassy procedures in country of origin.

²⁵ Revised index used in Round 2.

²⁶ Includes estimated USD \$95 agent fee.

²⁷ Revised index used in Round 2.

²⁸ New index added in Round 2.

²⁹ Index removed in Round 2.

³⁰ For Round 1, scoring reflects whether collateral is allowed by law, not if used in practice. For Round 2, where "law is silent," if used in practice then scored as 1, if not used in practice scored as 0.

³¹ Not assessed in Round 1.

³² New index added in Round 2.

	Round 1 Countries			Round 2 Countries	
	Kenya	Uganda	Zambia	Bangladesh	Nepal
6. Complying with Taxes³³					
Payments (number per year)	56	54	62	9	54
Time (hours per year)	344	404	545	197	244
Total Tax Rate (% of profit)	28.4%	20.7%	10.1%	17.4%	34.6%
7. Trading Agricultural Goods³⁴					
Exporting Agricultural Commodity ³⁵					
Documents (number)	11	9	7	9	10
Time (days)	57	14 ³⁶	35.5	24	39
Cost (USD)	\$1,909	\$4,319 ³⁷	\$717	\$1,003	\$2,134
Exporting Perishable Goods ³⁸					
Documents (number)	12	N/A	N/A	-	-
Time (days)	56	N/A	N/A	-	-
Cost (USD)	\$2,176	N/A	N/A	-	-
Importing Hybrid Seed					
Documents (number)	11	No data	6	9	11
Time (days)	44	No data	11 ³⁹	41	56
Cost (USD)	\$2,175	No data	\$900 ⁴⁰	\$1,064	\$3,051
8. Resolving Contract Disputes					
Alternative Mechanisms ⁴¹					
Procedures (number)	-	-	-	N/A	3
Time (days)	-	-	-	N/A	75
Cost (USD)	-	-	-	N/A	467
Dispute Resolution Mechanisms Index (out of 6) ⁴²	-	-	-	6	6

³³ Time and cost is incomplete or unconfirmed for certain taxes.

³⁴ For both Exporting Agricultural Commodity and Importing Hybrid Seed, time and cost is incomplete or unconfirmed for a number of documents in Round 1 countries.

³⁵ Round 1 data based on export of staple grain. Kenya data are based on one contributor.

³⁶ No data for Customs Clearance or Port/Terminal Handling time.

³⁷ No data for Port/Terminal costs.

³⁸ Not assessed in Round 2. The survey format assessed the time and cost for transporting perishable goods via maritime trade; however, Uganda and Zambia export limited quantities of refrigerated perishable goods, by air freight only.

³⁹ No data on Port/Terminal Handling time.

⁴⁰ No data on Inland Transport costs.

⁴¹ New indicator added in Round 2.

⁴² New index added in Round 2.

THE AGRI INDEX PILOT

DESIGN AND USES OF THE AGRI INDEX

AGRI Topics and Design Principles⁴³

The AGRI Index was designed to provide an objective and comprehensive basis for understanding and improving the regulatory environment for agribusinesses through a **suite of quantitative, standardized indicators that capture regulations and administrative procedures that apply throughout the lifecycle of an agribusiness**. The AGRI Index assesses the legal and regulatory elements that help and harm agribusinesses, as well as the regulatory burden imposed by red tape and administrative inefficiencies. Existing research and the work of the Doing Business index show that time-and-motion indicators can capture regulatory inefficiencies and obstacles that affect the entry rate and productivity levels of firms. In order to measure the impact of regulation on agribusinesses, the AGRI Index uses (1) indicators that capture the time, cost, and procedures for fulfilling regulatory requirements involved in operating an agribusiness, and (2) indicators on rights, which assess objective characteristics of a country's legal and regulatory framework.

In order to develop a standardized, scalable tool that can improve the business environment for agribusinesses, AGRI indicators were designed around the following six principles: indicators must be **simple, discrete, comparable, relevant, actionable, and impactful**. The logic of each indicator should be simple and the implications transparent to policymakers and other stakeholders. Utilizing discrete and well-defined indicators is vital to enable policymakers to identify areas of concern. Indicators that are comparable across countries highlight best practices, allow for tracking the impact of reform over time, and provide the pressure for reform that is often generated by comparisons with neighbor countries. Indicators must also be highly relevant, focusing on regulatory issues that have the greatest effect on agribusinesses. These indicators also point directly to policy or administrative reforms that can be accomplished in a short timeframe. Finally, policy reform should have a positive, visible impact on an indicator. By focusing on concrete regulatory barriers, legal rights, and inefficiencies in implementation, AGRI indicators highlight variations in the agribusiness environment created by governments themselves and that can therefore be improved by reform-minded policymakers.

Using these design principles, **short surveys of less than 10 pages were constructed for each AGRI topic** based on consultation with a range of agricultural and legal experts. Survey questions were designed to capture issues of particular importance to the agricultural sector (for example, the ability to use agricultural movables as collateral and to register a new seed variety) in order to gather data on these timely, relevant topics that align with ongoing research and can inform government and donor reform efforts.

These surveys used standardized cases that covered a range of agribusinesses along the value chain, including agro-input dealers, small- to medium-sized farms, and traders, and specified characteristics about each agribusiness, such as size, location, number of employees, and types of activities. **Standardized cases were imperative in order to obtain responses based on consistent assumptions that can be averaged across contributors and compared across countries**. For example, cases for the Trading Agricultural Goods topic were built around a “widely traded agricultural commodity” in each country (rather than a pre-specified commodity for all countries) in order to establish a broader definition that could be more consistently equalized and compared across countries.

Multiple Uses and Inherent Tradeoffs

Results from the AGRI Index serve multiple purposes. **Policymakers can use the data to identify key regulatory barriers**. AGRI data can inform investment decisions by public and private donors. Agribusinesses and business associations can cite AGRI results as leverage to call for policy, regulatory, and institutional reforms. And academics and the donor community can further analyze the links between the legal and regulatory framework and agribusiness and agricultural-sector growth.

⁴³ See Annex 2 for a detailed table on the scope, case, and type of contributor for each topic, as well as the full text survey used for each topic.

From a broader perspective, the AGRI Index **raises the profile of the agribusiness enabling environment within the development community** in order to increase donor investments aimed at eliminating systemic impediments to start-up and growth in the agricultural sector; thereby furthering international commitments to food security and efforts such as the US Government's *Feed the Future* initiative. By capturing the attention of key stakeholders and senior policymakers with objective, cross-country data, the AGRI Index can stimulate policy discussions and lead to data-driven reform efforts.

There are several **fundamental tradeoffs and limitations** to research products such as the AGRI Index that should be taken into consideration by a reader of this report. The AGRI Index does not measure all aspects of the agribusiness enabling environment. Instead, it focuses on eight core topics, and within those topics seeks to capture quantifiable and actionable aspects of the AgBEE. The AGRI Index's scope is partially defined by efficiency and practicality. Informality prevails across developing countries' agricultural sectors, limiting the generalizability of legal and regulatory analyses of the status quo. Standardized cases developed for this pilot focus on commercially oriented agribusinesses that operate formally within an existing regulatory framework in order to have something to measure. Due to this focus, the AGRI Index may measure the entire agricultural sector in some countries, while only assessing a narrow slice of the current agricultural sector in others. The regulatory reforms that improve the operability and profitability of small- and medium-sized agribusinesses (e.g., land reform, better availability of quality inputs, and increased access to finance) provide potential benefits that apply broadly across the entire agricultural sector, including to the most disadvantaged actors in the sector such as smallholder farmers.

AGRI indicators measure key barriers but do not necessarily explain why such barriers exist. For that, more in-depth analysis is required. The AGRI Index should therefore be viewed as a tool that **tells us where barriers exist, but not necessarily why they exist**. A benchmarking tool such as AGRI plays a specific role as a catalyst in the larger reform process that requires deeper causal analysis of critical foundational issues affecting agribusinesses (such as that found in AgCLIR),⁴⁴ targeted technical assistance, and the participation and commitment of reform-minded governments.

Methodological limitations also exist in terms of collecting data. Data for benchmark products like the AGRI Index are not derived from statistically significant samples of contributors from every country; to do so would be cost- and time-prohibitive, and would fundamentally alter the design parameters of the pilot project. Indicators on procedures necessarily involve a measure of judgment by contributors. To help address these limitations, a "key informant" approach was used to select contributors in each country who have substantial, concrete knowledge of the agricultural sector that is reflective of many actors in the sector. Surveys were also cross-referenced to identify conflicting data, extensive follow-up efforts were made to clarify information, and legal and regulatory texts were reviewed for verification by the AGRI team. Soliciting surveys through email may also present a sampling bias towards more sophisticated and larger agribusinesses that have an internet presence, as well as potential self-selection effects given the voluntary nature of responses, constraints common to similar index efforts. These considerations should be taken into account and mitigated to the extent possible through refinements to the data collection process, such as more intensive surveying techniques.

PILOT PROCESS

The pilot was used to test and validate the conceptual design of the AGRI Index, from its stated objectives and scope to its intended audience and uses. A total of 210 local experts and agribusinesses participated in the pilot across five countries, or an average of 42 contributors per country.⁴⁵ More than 7,500 data points were collected via written surveys and in-person interviews.

⁴⁴ These issues include macroeconomic stability, infrastructure quality, labor skills, underlying institutional capacity, and government initiatives or interventions of a non-regulatory nature that distort the agricultural sector.

⁴⁵ A full list of contributors can be found in Annex 3.

The AGRI team designed and implemented a multi-step pilot process that could be repeated across a number of countries (see Figure 14). The sampling method developed is similar to current index efforts such as Doing Business and Women, Business, and the Law and is based on a frequently used methodology in the social sciences.⁴⁶ This approach resulted in a standard and non-random sampling of contributors with a target of three to five contributors per topic. Contributor selection emphasized (1) organizations that regularly undertake administrative tasks necessary to support required regulatory processes and (2) individuals who could speak to the time, cost, and procedures required for compliance by a specific type of agribusiness based on direct experience. A full list of the types of contributors by topic can be found in Annex 2.

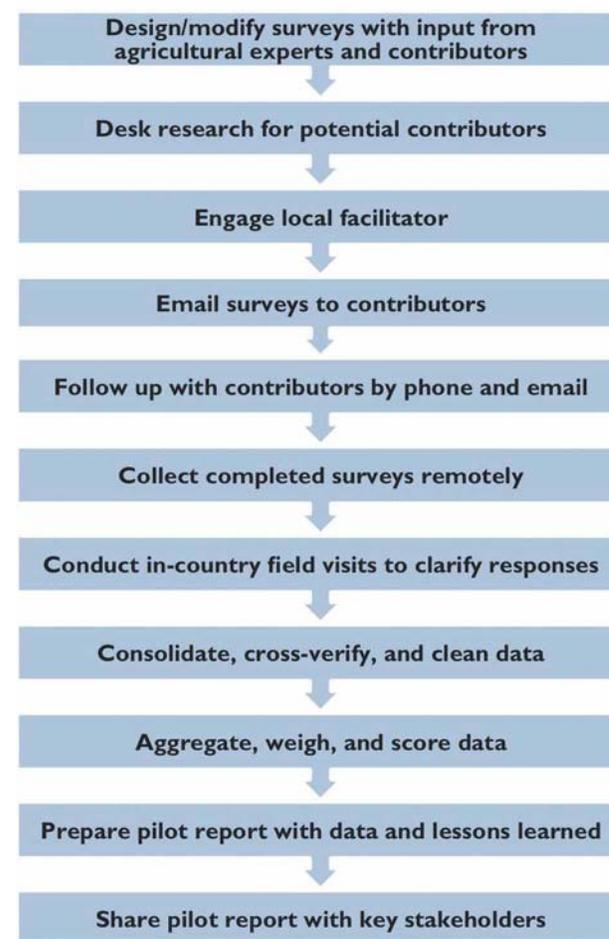
Contributors were identified remotely through desk research, including extensive Google searches for leading firms and experts, relevant news and academic literature, participants of recent agribusiness events and conferences, and networks of individuals encountered in previous EAT or Fintrac work. At the same time, a local consultant or partner institution knowledgeable about policy and business networks was engaged in each pilot country to assist in identifying and contacting contributors.

Surveys for each topic were distributed by email to contributors.⁴⁷ The AGRI team followed up with contributors through extensive emails and phone calls to obtain survey responses. Next, the AGRI team conducted one hour in-person interviews with almost 150 contributors during field visits to all pilot countries. The primary purpose of these field visits was to clarify conflicting or missing survey data and to gather feedback from on-the-ground stakeholders on the overall scope of AGRI and whether the indicators targeted their greatest concerns. Contributors were asked if AGRI indicators covered the most relevant issues and if the standardized cases were accurate and applicable. Contributor feedback informed key changes to the surveys such as the addition of indexes on movable collateral registries and warehouse receipts systems, as well as revisions to the scope of the Trading Agricultural Goods cases. The feedback during Round 1, along with input from agricultural experts and existing literature on international best practices, informed survey and indicator changes. The pilot process was then repeated in Round 2 countries with revised surveys and a refined methodology.

Testing and Refining the AGRI Index

Throughout the AGRI Index pilot, the **(1) data collection methods** and **(2) indicator, case, and survey design were extensively tested and refined** to improve the ability of the AGRI Index tool to capture the highest priority issues impacting the agribusiness enabling environment in a consistent and scalable manner.

FIGURE 14: AGRI INDEX PILOT PROCESS



⁴⁶ See MN Marshall, "The Key Informant Technique," *Fam. Pract.* 13: 92-97 (1996).

⁴⁷ For Round 1 and Round 2 combined, surveys were emailed to 839 potential contributors.

The following aspects of the AGRI Index's **data collection methods** were tested during the pilot:

- » Types of contributors well-suited to completing surveys (i.e. agribusinesses, chambers of commerce, agricultural member organizations, government officials, and service providers)
- » Extent of practical knowledge of service providers (i.e. lawyers, accountants, bankers) with respect to the agricultural sector
- » Effective methods for identifying appropriate contributors, particularly at the regional/local level (i.e. internet searches, international associations and directories, referrals, local facilitators)
- » Effective methods for engaging contributors remotely
- » Number of contributors necessary to obtain a sufficient baseline of data for an indicator and allow for cross-verification
- » For indicators on procedures, identifying appropriate contributors with specific transactional experience that are also representative of typical industry experience
- » Necessity and usefulness of field visits and in-person interviews with contributors

The following aspects of **indicators, cases, and survey design** were tested during the pilot:

- » Applicability of indicators and survey questions to agribusinesses across all countries, and degree of severity of issue in question
- » Availability of data
- » Accuracy of case assumptions
- » Resulting data that showed both sufficient comparability as well as meaningful differences across countries
- » Whether surveys result in objective responses that can be averaged across contributors
- » Reliability of data
- » Important issues not captured in existing surveys
- » Survey design and comprehension by contributors, including optimal length and time required for completion

To be considered validated, the contributor selection and data collection process resulting from the pilot must be able to determine the types of contributors that can provide relevant and robust data and efficient and cost-effective methods for identifying and engaging contributors and collecting data. Additionally, each indicator must reveal important findings specific to the agricultural sector; and survey questions must result in data that are reflective of a standardized experience as opposed to ad hoc responses.

LESSONS LEARNED

The AGRI Index pilot provided insight on (1) the most significant issues facing agribusinesses and (2) the survey design elements necessary to measure those issues in a standardized format. These lessons informed all elements of the pilot's implementation, from the data collection approach to the selection and refinement of AGRI topics and indicators. During the pilot, indicators and surveys were continually refined to address new, important themes that emerged and to incorporate lessons learned regarding effective survey design, while still aligning with the six AGRI Index design principles; specifically, indicators must be simple, discrete, comparable, relevant, actionable, and impactful.

Throughout the pilot process, **a range of stakeholders including government officials, agribusinesses, USAID missions, and other donors expressed strong interest in data about the agribusiness enabling environment to the AGRI team.** Across pilot countries, government officials themselves highlighted the lack of reliable information on the regulatory burdens faced by agribusinesses. Stakeholders emphasized the need for detailed information on key agribusiness regulatory processes and expressed interest in using the data for cross-country and regional comparisons. Private sector representatives expressed demand for AGRI Index data in order to advocate for policy reforms.

Lessons Learned: Data Collection

Conducting two rounds of the AGRI Index pilot uncovered a number of lessons and methodological changes to best adapt an index to the realities of the agricultural sector. The AGRI team developed a **targeted range of contributors that went beyond professional service providers (lawyers, bankers, and accountants) to include agribusinesses, business associations, and government officials.**

Significant adaptations from the Doing Business methodology were necessary to maximize the quantity and quality of data collected during the AGRI Index pilot. However, as previously suggested, this approach involves a number of **inherent constraints and tradeoffs**, which the AGRI team mitigated to the extent possible:

- » Agribusinesses have more specific knowledge than service providers and are therefore better suited to respond to certain AGRI topics. However, agribusiness responses draw from the personal experience of completing a task on a discrete number of occasions. In addition, agribusinesses routinely had less availability and capacity to participate in the AGRI Index pilot than service-oriented law firms and banks.
- » Drawing from a diverse range of contributors allows for triangulation across responses but results in more potential variance. As a result, a greater number of contributors, data points, and more work are required to compile various perspectives into an average response.
- » In-country visits were necessary as a primary means of verifying data, as initial survey responses were often incomplete and inconsistent. Lower response rates (given the types of contributors targeted) and the need to work closely with local facilitators may increase the resources required—at least in the first years of rollout—to conduct an agribusiness index.

Testing Contributor Selection

The AGRI Index pilot targeted a **diverse group of contributors** including agribusinesses, associations, chambers of commerce, freight forwarders, professional service providers (lawyers, bankers, accountants), and government officials. As expected, a broad range of well-suited contributors was necessary to acquire comprehensive, robust data on the time and cost to comply with regulatory and administrative tasks. Given the specificity of the cases and procedures examined, contributors such as government officials might only be able to answer those parts of a survey that relate to their own administrative unit. For example, gathering data on business licenses, import procedures, and variety registration for Obtaining Inputs in Bangladesh required meeting with three separate offices within the Department of Agricultural Extension, each with a narrow understanding limited to its own office's oversight. Additionally, private sector and government viewpoints often differed. For Trading Agricultural Goods, Kenyan customs brokers reported long delays in customs clearance procedures, while Kenya Revenue Authority officials indicated the cause of delays to be incomplete documentation or late submission of paperwork by customs brokers. Consequently, collecting information from a carefully selected mix of contributors allowed the AGRI team to triangulate among responses.

The best-suited types of contributors varied by topic and by country. A major lesson of the AGRI Index pilot was that topics focusing on time and cost required for regulatory and administrative tasks (such as Starting and Operating a Farm, Obtaining Inputs, and Trading Agricultural Goods) were **best answered by agribusinesses themselves**, because service providers in pilot countries could not provide data based on direct experience. Lawyers, bankers, and accountants were found to have few clients within AGRI's scope, such as emerging farms or input suppliers, and limited knowledge or specialization in agriculture-specific laws and regulations. However, lawyers with expertise in labor, land transactions, finance, and arbitration or mediation were well-suited to respond to Employing Agricultural Workers, Accessing Rural Land, Accessing Finance, and Resolving Contract Disputes surveys, because they were able to provide up-to-date information on the existing legal framework with respect to these topics.

Testing Data Collection and Analysis

Obtaining a sufficient number of qualified contributors to voluntarily respond to surveys was a challenging task. The AGRI team initially anticipated response rates of 33 percent;⁴⁸ however, Round 1 **response rates were 10–15 percent**. Working in agriculture presented the additional challenges of limited English language capacity, less formalization, lower use of professional service providers, and restricted email and internet usage, particularly outside the capital city.

The AGRI team addressed these obstacles through a **number of methodological improvements**. As detailed in the previous section, surveys were refined to better match contributor knowledge and their design was improved to promote comprehension. Surveys were also targeted to specific types of contributors and sent to a greater number of potential contributors.⁴⁹ In each pilot country, the AGRI team engaged in multiple rounds of interaction by email and telephone with potential contributors to ensure their participation and collect data. Where English language capacity was an issue, surveys were translated into the local language for topics most likely to be answered by agribusinesses and local-level contributors.

The AGRI team also engaged **local facilitators and partner institutions** to assist in identifying potential contributors and securing their participation in the AGRI Index. Local facilitators identified and contacted contributors in parallel with desk research and outreach by the AGRI team. Facilitators were more effective at identifying appropriate government offices and officials, and were also critical to obtaining sub-national data at the local and provincial levels. Attempting to remotely reach local-level contributors outside the capital city is not recommended; such contributors often have no internet presence, and even when working through referrals from other contributors, it proved difficult to effectively contact potential sub-national contributors without the assistance of a local facilitator.

By modifying the AGRI Index methodology and refining the surveys, identification of and successful outreach to well-suited contributors improved in Round 2. As a result, Round 2 **response rates nearly doubled to an average of 20 percent, the total number of completed surveys doubled, and the overall quality of survey responses improved significantly**.

As previously mentioned, the data from initial survey responses were verified through in-country visits by the AGRI team. Field visits were initially intended for follow-up with contributors, but these visits were also found to also be a **vital part of the data collection process**. The general informality of the agricultural sector introduces a greater degree of judgment in survey responses regarding the time and cost for procedures, and consequently a greater need to understand the experiences on which particular responses were based. In-person interviews allowed the AGRI team to gain crucial contextual information on overarching issues in the sector and the rationale behind survey responses. Going forward, it is strongly recommended that in-country visits be conducted in all countries during the initial year of implementation of an index in order to ensure that contributors fully comprehend surveys and cases and to gather a complete and reliable baseline of data.

Once responses were collected by surveys and in-person interviews, **data were cross-verified, aggregated, and averaged through an intensive, multi-step process of combining and vetting responses**, including where contributors' responses differed. First, before in-country visits, written survey responses were consolidated into a preliminary breakdown for an indicator. In-person interviews were then used to validate or refute this information. Where available, applicable laws or regulations were consulted, including comparing responses to the gazetted time and cost for a given procedure. Once all data had been collected through written and oral surveys, the AGRI team averaged responses for each indicator, disregarded any remaining outliers, and then vetted the summaries yet again by sending them to contributors for a final review. This iterative process ultimately yielded more consistent data that reflected the input of a diverse group of contributors.

⁴⁸ Rough estimates of response rates for similar World Bank Group indexes range from 25–33 percent.

⁴⁹ See Annex 2 for target contributors by topic.

Scoring rules and coding guidelines for each indicator were also developed to consistently classify responses.

While most survey questions were scored and averaged in a simple, straightforward manner; for certain indices it was necessary to add nuances to scoring. For example, in the Employing Agricultural Workers survey, curved scoring was used for the maximum employment duration allowed on a casual or fixed-term contract basis for agricultural workers. In addition, coding guidelines specified methods for consistently interpreting responses, such as how to code responses where the law was silent on an issue or which procedures to include or exclude as separate breakdowns in the dataset. Inspections, for example, were classified as a separate procedure in instances where they were typically treated as separate tasks from license applications.

Lessons Learned: Survey Design

In order to measure the issue of **limited access to government offices and services** for agribusinesses located in peri-rural areas, the exact location of the farm in the case was specified and survey instructions for topics such as Starting and Operating a Farm, Accessing Rural Land, and Complying with Taxes were revised to highlight the time required to travel to and from the specified farm location and an appropriate administrative office.

Numerous contributors indicated that **unpredictability was a major concern**. Lack of clarity regarding the applicability of rules was an issue in Obtaining Inputs, Starting and Operating a Farm, Employing Agricultural Workers, and Trading Agricultural Goods. Surveys for Round 2 therefore requested that where the time required to complete a procedure was frequently unpredictable, contributors report a high, low, and average time.

Across all pilot countries, **local government licenses and permissions** were often found to be opaque and arbitrary, posing uncertainty for agribusinesses. For example, “bylaws” imposing administrative requirements on agribusinesses in Kenya varied by locality, and contributors frequently noted that fees and requirements were not transparent. As a result, Round 2 surveys and field interviews focused more on capturing information on local government procedures.

To highlight **agriculture-specific processes and licenses** that came up in Round 1, and to ensure that those items were consistently captured, Round 2 surveys were revised to provide more detailed guidance to contributors on what types of common agriculture-specific processes and licenses to report, such as agro-input storage licenses, environmental impact assessments, and licenses to distribute inputs. Inspections were given particular emphasis, because they occurred across multiple topics (i.e., Starting and Operating a Farm, Obtaining Inputs, and Trading Agricultural Goods) and were often time-consuming and the costs required unpredictable. Survey instructions therefore specified that inspections be listed as a separate procedure, with waiting time for inspectors indicated.

Given the noticeable impact of **government policies and market interventions** on data from Round 1, additional questions on such policies or interventions were added for certain topics—for example, whether the government is directly involved in importing and distributing inputs in the Obtaining Inputs survey. These questions are not currently scored, because they do not fall directly within the scope of the AGRI Index. However, responses to these questions inform resulting survey data and provide country-specific context on policies that reduce agricultural productivity and restrict access to markets.

In terms of survey design, responses from Round 1 revealed that it is strongly preferable to craft surveys for which all questions in one survey can be **answered by a single contributor**. For example, questions regarding seed licenses, registration, and import were initially split among three separate surveys, which was not conducive to gathering responses and off-putting to contributors with limited time. Consolidating these three sections into a single survey for Round 2 resulted in much higher response rates and more robust data provided by contributors. Conversely, surveys that initially combined indicators on both farms and agro-input dealers were split into separate surveys, because they required accurate responses from different contributors.

A final lesson learned in the AGRI survey design process was the need to strike a careful balance between **providing enough specificity in case assumptions** to obtain comparable responses that could be averaged, while **ensuring that cases were not so specific** that surveys could only be answered by a limited set of contributors. Different strategies were required for different topics. Greater specificity in the case assumptions for a staple grain farm was necessary for Starting and Operating a Farm, Accessing Rural Land, and Complying with Taxes, whereas a broader case was necessary for Trading Agricultural Goods to ensure that contributors were reporting based on their own direct experiences with trading agricultural commodities.

Constraints to Consider Across All Indicators

A lesson applicable across pilot countries was the **lack of a standard case for an “emerging,” commercially-oriented farm producing staple grains**. A 50 hectare farm was originally chosen based on the assumption that smaller farms would be informal (and therefore beyond the reach of the legal and regulatory environment) and larger farms would be too few in number for the project's focus. It proved difficult to determine a specific farm size that consistently signifies “emerging” across all countries. A five hectare farm was considered quite large in Uganda but small in Zambia. A potential solution may be to focus instead on a horticultural farm, for which there is more likely to be a standard case across countries for a farm that is “emerging,” formal, and complies with regulatory requirements. A horticultural good may also be less likely than a staple grain to be affected by broad, interventionist government policies related to food security, which are beyond the current scope of this Index.

Informality posed a significant inherent obstacle in assessing regulatory procedures for topics such as Employing Agricultural Workers, as the majority of seasonal agricultural workers are employed informally, and Complying with Taxes, for which contributors noted an “emerging” sole proprietor farm would typically not fall under the tax net. Widespread informality with respect to certain topics suggests that they may not be well-suited for the AGRI Index.

Similarly, although a tool such as the AGRI Index is primarily intended to capture formal, official costs, in reality **informal costs can be quite high**, making reporting time and costs unpredictable. Contributors in multiple pilot countries noted the need to pay “facilitation fees”—particularly in Bangladesh, where official fees were quite low but “speed money” represented a relatively large portion of total costs and was necessary to prevent months-long or even indefinite delays. Final data reported in the AGRI Index pilot do not include informal payments and it is not recommended to do so, but such payments should still be taken into consideration as important context.

Protecting investors, enforcing contracts, and resolving insolvency through formal court procedures or shareholder actions proved to be **less relevant to the agricultural sector** and difficult to compare across countries. Obtaining standardized, comparable data for these topics was not feasible because enforcing a contract in formal court such as in the case of side-selling or initiating bankruptcy proceedings rarely occurred in pilot countries. For example, one contributor in Uganda reported only six applications for insolvency in the entire country in the last year. Consequently, surveys on protecting investors and resolving insolvency that assessed more sophisticated judicial procedures were removed from the AGRI Index in Round 2, while the focus of the Resolving Contract Disputes topic shifted from contract enforcement in formal courts to alternative forums for dispute resolution.

The AGRI Index topics covered a range of different agribusinesses, including farms, input providers, and traders, in order to assess regulatory and administrative issues across the value chain. During pilot testing, the AGRI team explored the feasibility of adding other types of agribusinesses, cooperatives in particular. However, it **proved difficult to incorporate cooperatives** into AGRI indicators or cases, because the main issues surrounding cooperatives related to weaknesses in management and were not typically of a legal or regulatory nature.

Lessons Learned: By Topic

Throughout the pilot process, data from contributors and feedback from stakeholders were used to refine each of the AGRI Index surveys. The changes to each topic from Round 1 to Round 2 based on lessons learned are described below (see Table 3 for an overview).

TABLE 3: SURVEY EVOLUTION FROM ROUND 1 TO ROUND 2

ROUND 1 TOPICS	REVISIONS	ROUND 2 TOPICS
Dealing with Licenses – Operating licenses for 50 ha staple grain farm and for seed, fertilizer, and crop protection chemical providers.	Moved registration procedures from Registering Property and importing hybrid seed from Trading Across Borders into survey to better match contributor knowledge. Expanded survey to cover all three inputs. Removed section on farm.	Obtaining Inputs – Operating licenses and new variety/product registration process for seed, fertilizer, and crop protection chemical providers.
Starting a Business – Business registration procedures for a 50 ha staple grain farm.	Moved operational licenses for farm from Dealing with Licenses into survey to address the same contributors. Expanded focus on local and agriculture-related licenses and permissions.	Starting and Operating a Farm – Business registration and licensing (including agriculture-related and local licenses) for a 50 ha staple grain farm.
Employing Workers – Procedures to employ a highly skilled expatriate engineer, and index assessing legal and regulatory basis for seasonal and migrant labor.	Expanded index on seasonal and migrant workers to include employer flexibility in hiring workers on casual and contract basis.	Employing Agricultural Workers – Procedures to employ a highly skilled expatriate engineer and index assessing legal and regulatory basis for seasonal and migrant labor.
Registering Property – Procedures for transfer of title of a 50 ha staple grain farm, and procedures to register a new proprietary staple grain variety. Indexes on access to property registration information and strength of property rights.	Removed strength of property rights index as found to not be highly relevant. Added index on customary land to capture ability to use and obtain statutory title of community-held land.	Accessing Rural Land – Procedures for transfer of title of a 50 ha staple grain farm. Indexes on access to and usage of customary land and access to property registration information.
Getting Credit – Index on the types of agricultural collateral allowed by legal and regulatory framework and general secured transactions questions.	Removed general secured transactions questions as did not uncover useful data. Revised agricultural collateral index to capture where law is silent and what happens in practice. Added index on movables registries (as such registries were noted as a prerequisite to lending on agricultural collateral) and index on warehouse receipt systems.	Accessing Finance – Index on the types of agricultural collateral allowed by legal and regulatory framework. Indexes on access to and functioning of movables collateral registries, and legal framework for warehouse receipts systems.
Protecting Investors – Measured strength of minority shareholder protections against directors’ misuse of corporate assets for personal gain in the case of a fruit processing plant through indices on (1) extent of disclosure, (2) extent of director liability, (3) ease of shareholder suits.	Topic removed from AGRI Index. Few useful insights from agribusiness perspective. Advanced levels of investor protections of limited applicability to agricultural sector.	N/A

ROUND 1 TOPICS	REVISIONS	ROUND 2 TOPICS
Paying Taxes – Applicable taxes, number of payments per year, time required for tax compliance, deductions and exemptions, and total effective tax rate for a 50 ha staple grain farm.	No major changes.	Complying with Taxes – Applicable taxes, number of payments per year, time required for tax compliance, deductions and exemptions, and total effective tax rate for a 50 ha staple grain farm.
Trading Across Borders – Documentation, time, and cost to export the most widely traded staple grain, to export the most widely traded perishable (refrigerated) good, and to import hybrid seed.	Removed refrigerated good because perishable exports via maritime trade did not exist in most pilot countries. Modified export case from the most widely traded staple grain to a widely traded agricultural commodity to broaden data pool.	Trading Agricultural Goods – Documentation, time, and cost to export a widely traded agricultural commodity and to import hybrid seed.
Enforcing Contracts – Measures the efficiency of the judicial system in resolving a commercial dispute involving a wholesaler claim against a farmer association for non-delivery of crops subject to a pre-harvest advance, by assessing the time, cost, and procedures for each step to take the dispute through local courts.	Removed court procedures because Round 1 did not uncover useful agriculture-specific issues. Revamped survey to focus on alternatives to the formal court system that may be expedited for a smaller claim and/or easily accessible for a peri-rural agribusiness.	Resolving Contract Disputes – Procedures, time, and cost to resolve a claim of side-selling by farmer cooperative in an alternative forum. Index on access to ADR mechanisms, small claims court, or expedited court procedures.
Resolving Insolvency – Time, cost, and outcome of insolvency proceedings involving a fruit processing plant.	Topic removed from AGRI Index. Few useful insights from agribusiness perspective and few occurrences on which to gather data.	N/A

I. Obtaining Inputs

The initial Dealing with Licenses survey assessed the time, cost, and procedures necessary to obtain operating licenses for a 50 hectare staple grain farm and for providers of seed, fertilizer, and crop protection chemicals. Instructions regarding what licenses to include were open-ended. Round 1 results were inconsistent in terms of types of licenses and permissions referenced for a farm. In addition, the licenses and permissions required for input providers was more extensive than anticipated, and **important variations were observed across the three types of inputs as well across the types of activities of input providers**. The following changes were made to the new Obtaining Inputs survey to better and more consistently capture these data:

- » The section on licensing a farm was moved to the Starting and Operating a Farm survey, in order to focus Obtaining Inputs on input providers and for practical purposes, because few contributors could respond to the survey for both farms and input providers.
- » Survey was broken out into three separate input provider surveys for seed, fertilizer, and crop protection chemicals.
- » Registration for a new seed variety and for importing hybrid seed were moved into the survey (from former locations in the Registering Property and Trading Across Borders surveys, respectively), and registration procedures for new fertilizer and crop protection chemicals were added, because the same contributor responded to all three sections for a given input.
- » Case was revised to specify a multi-functional input provider in order to capture the range of licensing requirements by activity (i.e., wholesale trade, retail trade, storage, and imports), and subheadings (by type of license) were added to the survey to provide more guidance to contributors.
- » Inspections were treated as a separate procedure to fully capture time delays, and where time requirements were unpredictable, the survey asked for high, low, and average inspection time.
- » For the section on registering property, in order to provide context to responses, questions were added about the availability of facilitated registration procedures and protection of intellectual property.

2. Starting and Operating a Farm

The Starting a Business survey for Round 1 focused on business registration procedures for a 50 hectare staple grain farm run as a sole proprietorship. Results from Round 1 showed that there were **few if any unique aspects to registering a farm** (contributors responded with registration procedures for a generic type of business), and the case as written did not result in meaningful data as many contributors noted that: (1) in practice, the majority of farms do not formally register; (2) few 50 hectare staple grain farms exist, and (3) few registration procedures apply to sole proprietors. In addition, responses to Starting a Business and Dealing with Licenses surveys often overlapped. To capture issues more specific to the agricultural sector, the following changes were made to the new Starting and Operating a Farm survey:

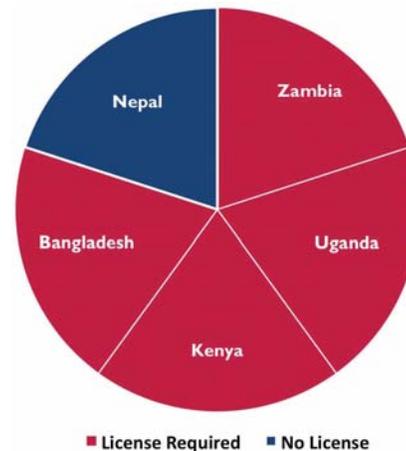
- » Section assessing operating licenses for a farm was moved into the survey, and the survey increased its focus on licenses and permissions particular to agriculture, such as rezoning land for agricultural use, environmental impact assessments, and licenses for storing inputs (with subheadings by type of license to provide more guidance to contributors).
- » Increased emphasis on local licenses and permissions (e.g. local trading licenses) based on feedback that local requirements are arbitrary and poorly implemented, and costs and enforcement are unpredictable.
- » Instructions were revised to capture physical access to registration offices, which were often not easily accessible to peri-rural agribusinesses.

Future consideration should be given to adjusting case assumptions to more squarely fall in the formal sector, such as by changing the case to a horticultural farm of a smaller size that is a limited liability corporation rather than a sole proprietor.

3. Employing Agricultural Workers

In Round 1, the Employing Workers survey focused on the procedures for employing a highly skilled expatriate engineer and included an index assessing the legal and regulatory basis for seasonal and migrant labor. Although those procedures were relatively straightforward, they did not reveal obstacles related specifically to the agricultural sector. The questions in the seasonal and migrant workers index proved more challenging to answer. Given that many seasonal and migrant workers are employed informally in practice, the legal and regulatory framework is often less applicable. Furthermore, labor laws generally did not define agricultural employment, seasonal enterprises, or set minimum wages for agricultural workers. **Restrictions on the use of casual workers and the timeframe after which a casual worker becomes legally considered a permanent employee** were noted by contributors as important issues. Therefore, in Round 2, the new Employing Agricultural Workers survey contained a revised index on seasonal and migrant workers. It expanded focus on employer flexibility in hiring workers on a casual basis or using term contracts, with curved scoring to prevent one-sided assessment of rules beneficial to employers only.

FIGURE 15: FOUR OF FIVE AGRI PILOT COUNTRIES REQUIRE LOCAL TRADE LICENSE FOR AGRIBUSINESS



4. Accessing Rural Land

The Registering Property survey in Round 1 focused on the procedures for transferring title of a 50 hectare farm and for registering a new proprietary staple grain variety. The survey also included indexes on access to property registration information and the strength of property rights. Contributors noted that **limited access to land registries, unpredictable timing for issuing titles, and poor quality of data in land registries were problematic**. Round 1 contributors also highlighted customary land as a major issue, in particular the question of whether farms and agribusinesses could obtain legal rights to use customary land (on extended lease terms or formal freehold titles), and the process to do so. The index on strength of property rights proved too broad, with little meaningful variation across responses. To address these lessons learned, the following changes were made to the new Accessing Rural Land survey:

- » Drawing from existing literature and expert input, a separate index was added on the ability to access and use customary land and the process for transforming customary land into statutory titled land.
- » Section on registering a new proprietary staple grain was moved to the Obtaining Inputs survey, because a different type of contributor was required to answer that section.
- » Survey instructions were revised to capture the time required to physically access land offices for searching, registering, and obtaining title.
- » Where timing was unpredictable because of lack of capacity in land administration offices, contributors were requested to provide high, low, and average administration time. Question on the quality of data in available land registries was added to the index on access to property registration information.
- » Index on the strength of property rights was removed from the survey.

The index on customary land was found to not be applicable in Round 2 countries, and because this issue will not apply across all countries, consideration should be given as to when and how to include such an index in future surveys.

5. Accessing Finance

The Getting Credit survey focused on types of agriculture-related collateral allowed by the legal and regulatory framework and on general secured transactions issues. Although an important topic, many contributors noted that the **legal and regulatory framework regarding agricultural collateral was not clearly specified** (such collateral might fall under general charges, debentures, or other broad types of security interests). Furthermore, although a favorable legal and regulatory framework may be a necessary precondition to increasing agricultural lending, contributors noted many other important, non-regulatory factors that impeded such lending. In practice, the banks' primary concern is credit risk, which is not a factor that governments can readily address through direct policy action. Data from the general secured transactions questions did not reveal meaningful variations for the agricultural sector; though contributors did raise issues regarding searching for charges and registering interests in multiple registries. In addition, warehouse receipts systems were noted for their importance to expanding access to finance in the sector. As a result, the following changes were made to the new Accessing Finance survey:

- » The index on agricultural collateral was revised to capture situations where the "law is silent" and where agricultural collateral is accepted by financial institutions in practice.
- » General secured transactions questions were removed.
- » A new index was developed on movable collateral registries, based on international best practices and expert input.
- » A new index was developed on warehouse receipts systems, based on stakeholder feedback and existing literature.

The index on warehouse receipts systems was not applicable in Round 2 countries, and future consideration should be given as to whether inclusion of such an index is appropriate, given that advocating for such a system is useful but the index will return concrete results in a limited number of countries.

6. Complying with Taxes

The Complying with Taxes survey focused on the taxes applicable to a 50 hectare staple grain farm, and the time, number of payments, and total effective tax rate for such taxes. Round 1 results revealed few agriculture-specific taxes; those initially anticipated, such as access and market levies, represented negligible costs and required little compliance time. However, numerous agriculture-specific exemptions and reduced income tax rates, intended as incentives for the sector, were identified. Contributors raised the issue of the typically informal nature of farms (and hence limited tax applicability), as well as difficulties posed by limited access to government offices for filing and paying taxes. The main change to the new Complying with Taxes survey was to revise the instructions to capture the time required to physically access administrative tax offices. Future consideration should be given to revising the case to target a farm that explicitly and routinely falls under the tax net.

7. Trading Agricultural Goods

The Trading Across Borders survey in Round 1 focused on the documentation, time, and cost to (1) export the most widely traded staple grain, (2) export the most widely traded perishable (refrigerated) good, and (3) import hybrid seed. It proved difficult to find contributors who could provide specific data on widely traded staple grains based on direct experience, and **responses varied widely due to different points of departure and border posts and differing levels of knowledge on “the documents” required for trade.** Perishable goods were found to be overwhelmingly exported via air freight, with few distinct legal or regulatory obstacles. The main constraints reported by traders and agribusinesses were market issues of meeting importing countries' health and standards requirements and competing with international prices because of high production and transportation costs. Contributors also noted that the time required for customs clearance and port and terminal handling, and the agencies that may become involved, were highly variable. Accordingly, the new Trading Agricultural Goods survey included the following changes:

- » Case assumptions were revised to explicitly state departure point, border post, and destination to ensure consistent and comparable responses.
- » The “most widely traded staple grain” question was expanded to “widely traded agricultural commodity.”
- » Survey was revised to capture variability, assessing minimum, maximum, and average time required.
- » Survey instructions were revised to provide greater guidance on types of documentation commonly required, such as phytosanitary certificates; agriculture-specific processes, including quality and customs duty inspections; and types of agencies that may be involved such as health and technical control agencies.
- » Non-scored questions were added on government seed policy and market structure to provide context for data on importing hybrid seed.
- » Case on exporting perishable goods was removed.

8. Resolving Contract Disputes

The initial Enforcing Contracts survey measured the efficiency of the judicial system in resolving a commercial dispute involving a wholesaler's claim against a farmer association for non-delivery of crops subject to a pre-harvest advance by assessing the time, cost, and procedures for each step to take the dispute through court. No instances of such occurrences were found in Round 1, and contributors stated that **such disputes would most likely utilize non-traditional court options** for resolution. As a result, the new Resolving Contract Disputes survey was significantly revamped to shift focus to measuring availability of alternatives to the formal court system by incorporating the following changes:

- » Section added to assess the time, cost, and procedures for resolving a side-selling claim in an alternative forum (i.e. small claims court, commercial court, or alternative dispute resolution).
- » Index added on access to formal, non-traditional court remedies and whether such remedies are faster than the formal court system.

While the index yielded useful data in Round 2, most contributors were unable to provide time, cost, and procedures for resolving the side-selling claim in an alternative forum, given the variability in how such a proceeding would unfold. It would therefore be advisable to have a less open-ended survey format (such as an index) for future assessment of this topic.

Future Revisions to AGRI Topics and Indicators

The initial lessons learned during the AGRI Index pilot were used to significantly refine the indicators and surveys to ensure that the indicators met initial testing criteria by revealing important and relevant findings specific to the agricultural sector and resulting in comparable data. This process is iterative, and **further research and work will be needed for continual refinement of indicators**. For example, based on extensive feedback from Round 2 contributors and ongoing input from legal and agricultural advisers, we recommend the following changes in any future expansion of the AGRI Index:

- » **Horticultural farm case (Starting and Operating a Farm, Accessing Rural Land, and Complying with Taxes)**. Changing the case from a 50 ha staple grain farm to a three to five ha horticultural farm registered as a limited liability corporation or equivalent would better reflect small- to medium-sized emerging farms worldwide that are poised for commercial growth and have the potential to increase productivity and profitability. As noted by contributors during Round 1 and Round 2, these farms are also more likely to be formal, regulated companies engaging professional services, and therefore be easier to survey.
- » **Overland and regional trade (Trading Agricultural Goods)**. As developing markets continue to grow, regional trade becomes a promising alternative to accessing distant, developed markets. A modified topic would focus on ease of overland access to major trading partners in neighboring countries and cover road networks, SPS facilities, customs, regional trade agreements, transport costs, and delays. AGRI Index contributors in Round 1 particularly emphasized the critical importance of a favorable regulatory environment for regional trade.
- » **Minimum thresholds to address the lack of regulatory framework (Obtaining Inputs, Employing Agricultural Workers)**. Lack of a regulatory framework can pose uncertainty for agribusinesses, deterring investment and growth. To ensure that data on procedural requirements are not mistaken for efficiency when a regulatory framework is lacking, establishing minimum thresholds for certain regulatory requirements is recommended—to the extent international standards exist or can be readily developed for such topics. For example, minimum thresholds could incorporate best practices in seed certification procedures. After first determining whether these minimum licenses and procedures are required, surveys can then assess whether they can be obtained in an efficient manner.

Additionally, new topics, indicators, and cases could be considered in future iterations of the tool, although it is highly recommended that the design principles of keeping indicators simple, discrete, comparable, relevant, actionable, and impactful be maintained in order to allow for a scalable benchmarking tool whose results can translate into concrete policy reforms. For example, new areas to explore could include the following:

- » **Crop insurance (Accessing Finance).** Risk management products such as crop insurance can encourage financial institutions to increase their agriculture portfolios. Legal and regulatory constraints to crop insurance merit further research.
- » **Water/irrigation and veterinary supplies (Obtaining Inputs).** Access to or availability of water can be an obstacle in many rural areas where poor electricity systems make pumping problematic. Similarly, given the importance of livestock to the health and livelihoods of farmers, access to veterinary supplies and animal health technologies could play a role in an agribusiness index.
- » **Grades and standards (Resolving Contract Disputes).** A functioning system of grades and standards allows contracts and trading to extend beyond the spot market and encompass future delivery of goods. While grades and standards can be market-driven, their existence, functionality, and enforcement could be systematically measured.

BEYOND THE AGRI INDEX PILOT

The practice of global benchmarking has grown substantially over the last twenty years. Indexes have raised the profile of key issues (e.g. the Human Development Report) and incentivized reforms (e.g. Doing Business). Lessons learned from a wide array of global indexes helped to inform the development and rollout of the AGRI Index pilot.

The AGRI Index adds to this growing base of powerful tools for reform. Following a multi-country pilot process involving expert review and field testing in five countries, donors now have a tool that is capable of contrasting economies based on the quality of the legal, regulatory, and administrative procedures that govern their agricultural sectors. While it is too early to draw conclusions about the effect these results might have on overall agricultural growth, the pilot demonstrated that the unique characteristics of and challenges faced in the agricultural sector can be **successfully captured in an objective, cross-country, and quantitative benchmarking tool.**

The results from the AGRI Index pilot strongly suggest that measurement of the agribusiness enabling environment through targeted and discrete indicators should be continued and expanded, in particular to allow for cross-country and regional comparisons and measurements of change over time. **Factors to consider when expanding this work include:** (1) whether to aggregate scores across all topics and rank countries, (2) the optimal frequency for such a tool, (3) international partnerships to aid in implementation, and (4) strategies to communicate the tool's uses and results to stakeholders in a manner that generates dialogue and leads to policy reform. Over time, the AGRI team hopes that data from this pilot, and the efforts that follow, will be used to illustrate the effects of specific legal or regulatory regimes while making clear the broad array of institutional governance choices policymakers have at their fingertips to face the challenges of managing the agribusiness sector.

PROPOSED USES OF THE AGRI INDEX (2012-2014)

The AGRI Index is the only high-level tool currently capable of quickly and quantitatively benchmarking agribusiness enabling environments across countries and/or across years. While the donors interested in this work have committed to housing a global tool similar to AGRI at the World Bank (Doing Business in Agriculture), that effort is not expected to yield sharable results until early 2014. Therefore, AGRI may serve as a useful bridge for all interested parties until World Bank data is publicly available.

Therefore, a Round 3 pilot is recommended to both expand the AGRI database to cover more countries and further refine the tool. The utility of a tool like AGRI increases with scale. With data from 15 or more countries, useful regional and global comparisons can be made of agribusiness performance and government policies, furthering our understanding of international best practices for the optimal regulatory and administrative requirements for agribusinesses and for broader agricultural sector growth.

Additionally, based on the strong interest in AGRI Index pilot results and the needs expressed by governments, private sector leaders, USAID, and other donors, a number of innovative uses of AGRI may also be considered (see Figure 16).

FIGURE 16: ADDITIONAL USES OF AGRI INDEX

- » As a component of donor monitoring and evaluation (M&E) efforts. Regardless of the number of countries surveyed, the tool can perform a useful M&E function within and across countries by measuring what matters most in the AgBEE.
- » As a precursor to AgBEE-related technical assistance, allowing countries to zero in on areas where their AGRI scores are particularly low.
- » As the building blocks for a country-led “self-diagnostic,” leading to an indigenous method for setting an AgBEE agenda and prioritizing reforms.
- » As an advocacy tool, allowing the results flowing out of the tool to become a starting point in a comprehensive, enduring dialogue about the AgBEE in any given country, with both government and private sector representatives.

Annex 1: Data from Pilot Countries (Bangladesh, Kenya, Nepal, Uganda, and Zambia)

Table of Contents

Table of Contents.....	1
Bangladesh.....	3
OBTAINING INPUTS – BANGLADESH.....	3
STARTING AND OPERATING A FARM - BANGLADESH.....	14
EMPLOYING AGRICULTURAL WORKERS – BANGLADESH.....	16
ACCESSING RURAL LAND – BANGLADESH.....	19
ACCESSING FINANCE – BANGLADESH.....	24
COMPLYING WITH TAXES – BANGLADESH.....	28
TRADING AGRICULTURAL GOODS – BANGLADESH.....	29
RESOLVING CONTRACT DISPUTES – BANGLADESH.....	32
Kenya.....	35
STARTING A FARM – KENYA.....	35
DEALING WITH LICENSES – KENYA.....	38
EMPLOYING WORKERS – KENYA.....	42
REGISTERING PROPERTY – KENYA.....	44
GETTING CREDIT – KENYA.....	49
PAYING TAXES – KENYA.....	50
TRADING ACROSS BORDERS – KENYA.....	51
Nepal.....	54
OBTAINING INPUTS – NEPAL.....	54

STARTING AND OPERATING A FARM - NEPAL.....	63
EMPLOYING AGRICULTURAL WORKERS – NEPAL	65
ACCESSING RURAL LAND – NEPAL	69
ACCESSING FINANCE – NEPAL.....	73
COMPLYING WITH TAXES – NEPAL	77
TRADING AGRICULTURAL GOODS – NEPAL	78
RESOLVING CONTRACT DISPUTES – NEPAL	81
Uganda.....	85
STARTING A FARM - UGANDA.....	85
DEALING WITH LICENSES – UGANDA.....	87
EMPLOYING WORKERS – UGANDA	91
REGISTERING PROPERTY – UGANDA.....	93
GETTING CREDIT – UGANDA	97
PAYING TAXES – UGANDA.....	98
TRADING ACROSS BORDERS – UGANDA.....	99
Zambia.....	100
STARTING A FARM - ZAMBIA	100
DEALING WITH LICENSES – ZAMBIA	102
EMPLOYING WORKERS – ZAMBIA.....	105
REGISTERING PROPERTY – ZAMBIA	106
GETTING CREDIT – ZAMBIA.....	109
PAYING TAXES – ZAMBIA	110
TRADING ACROSS BORDERS – ZAMBIA.....	111

Bangladesh

OBTAINING INPUTS – BANGLADESH

A. Licenses and Permissions for Seed Providers

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Local Trade License</p> <p>The trade license is a prerequisite to operating any business in Bangladesh and is specific to the union or municipality. Companies with multiple offices across municipalities would need a trade license for each location. Facilitation fees are common.</p>	5-7	3-5,000 depending on the amount of authorized capital	Dhaka City Corporation or relevant union council
2	<p>Import Registration Certificate (IRC)</p> <p>An IRC is required for any business importing goods into Bangladesh. The agro-input provider must apply to the Export/Import Authority within the Ministry of Commerce. Required documents include:</p> <ul style="list-style-type: none"> • Membership Certificate to Chamber of Commerce & Industry • National ID card • Tax Identification No. (TIN) • Bank solvency certificate <p>The IRC costs a minimum of BDT 5,000 depending on the company's amount of authorized capital, and is valid for one year.</p>	10	5,000	Office of the Chief Controller of Import & Export (CCIE), Ministry of Commerce
3	<p>Seed Dealership License</p> <p>All seed dealers must be licensed. The seed dealership license covers all seed-trade related activities, including import, wholesale distribution, and retail sale. About 16,000 licensed dealers currently operate in Bangladesh. The dealership license does not require any inspection, but each application requires the signature of an officer from the Ministry of Agriculture or the Bangladesh Agricultural Development Corporation (BADDC) who can vouch that the company is duly engaged in the seed industry.</p>	7	0	Field Offices of Seed Wing, Ministry of Agriculture

TOTAL	3 procedures	22-24 days	USD \$98-122¹	
--------------	---------------------	-------------------	---------------------------------	--

B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Application for registration of a new proprietary plant variety for notified crops</p> <p>According to the Seed Act (Amendments in 1997 and 2005), seed companies must register new notified crop varieties with the SCA. There are 5 crops “notified” by the Government of Bangladesh – wheat, rice, jute, seed potato, and sugarcane. Notified crops must undergo a mandatory two seasons of field testing in order to be registered, and applicants must provide detailed breeder’s results for the new variety. A company seeking to register a seed variety already in use in another country would apply to the Plant Quarantine department in the Ministry of Agriculture for an import permit. The permit would allow them to procure a maximum 20 kg of seed as a sample. The import permit takes an average of 5 days to obtain at a cost of USD \$1.</p> <p>All non-notified crops can be produced or introduced immediately upon obtaining a registration number from the National Seed Board within the Ministry of Agriculture. Registration numbers are issued without testing or cost. Companies typically test the quality of new non-notified varieties themselves before sale, and such seed would be sold as “Truthfully-Labeled Seed.” Seed providers can also opt for a voluntary certification process by the SCA – identical to the testing process for notified seed – which allows them to sell the seed as “Certified Seed.”</p>	10	0	Seed Certification Agency (SCA)
2	<p>Multi-location performance trials</p> <p>The SCA first determines the applicant’s seed sources. The Variety Testing wing then carries out varietal description activities (DUS tests) and conducts multi-location field evaluations (VCU tests). Field tests cost BDT 36,000 per year per variety, which includes one season of testing in 9 agro-ecological zones (or two years and BDT 72,000 total). Given Bangladesh’s growing seasons there are limited times of year to conduct field testing. Winter rice (boro) has one season per year, and the company would apply in September or October. Summer rice also has only one season a year, while maize can be grown year-round so two seasons of</p>	730	72,000	SCA

¹ Exchange rates as of June 2012. Costs rounded to the nearest dollar.

	field tests can be completed in one year.			
3	Recommendation for release The results of field tests are evaluated by the SCA and a recommendation is made to the National Seed Board for release of the new variety.	30	0	SCA
4	Variety release by National Seed Board The National Seed Board, chaired by the Secretary of the Ministry of Agriculture and whose membership includes the SCA, Bangladesh Agricultural Research Council, Ministry of Agriculture, representatives of seed companies, seed scientists, universities, and research institutes (BIRI for rice, BARI for wheat), meets twice a year to review new seed varieties. Once approved, the Board issues a registration certificate for the new variety.	60	0	National Seed Board, Seed Wing, Ministry of Agriculture
5	Gazette notification To market seeds of notified crops, the new variety must be on the national list of varieties through publication in the official gazette.	30	0	Government Printing Bureau
TOTAL	5 procedures	860 days	USD \$878	

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	No	
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	No	There are no protections of plant breeders and Bangladesh is not a member of the International Union for the Protection of New Plant Varieties (UPOV). When a new variety is registered the company is given indefinite exclusive rights to production. However, in the case of a breach of IP rights – such as a seed supplier giving the variety to another company – there is no mechanism for enforcement or assessment of penalties. Non-notified seeds are not protected.

C. Licenses and Permissions for Fertilizer

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Local Trade License</p> <p>The local trade license is a prerequisite to operating any business in Bangladesh and is specific to the union or municipality. Companies with multiple offices across municipalities would need a trade license for each location. Facilitation fees are common.</p>	5-7	3-5,000 depending on amount of authorized capital	Dhaka City Corporation or relevant union council
2	<p>Membership in Bangladesh Fertilizer Association (BFA)</p> <p>The agro-input provider must join the relevant national business association for fertilizer in order to obtain an Import Registration Certificate and to initiate registration of a new fertilizer product. The Fertilizer Management Act (2006) stipulates that association membership is necessary “if applicable,” which is not clearly defined. In practice, companies, particularly fertilizer importers, join the BFA.</p>	30	5,000	Bangladesh Fertilizer Association (BFA)
3	<p>Import Registration Certificate (IRC)</p> <p>An IRC is required for any business importing goods into Bangladesh. The agro-input provider must apply to the Export/Import Authority within the Ministry of Commerce. Required documents in the application include:</p> <ul style="list-style-type: none"> • Membership Certificate to Business Association or Chamber of Commerce & Industry • National ID card • Tax Identification No. (TIN) • Bank Solvency Certificate <p>The IRC costs a minimum of BDT 5,000 depending on the company’s amount of authorized capital, and is valid for one year.</p>	10	5,000 ²	Office of the Chief Controller of Import & Export (CCIE), Ministry of Commerce
4	<p>Dealership License – Importing</p> <p>The Department of Agricultural Extension licenses fertilizer providers. The DAE has three types of licenses within the dealership license for: importers, manufacturers, and suppliers (both wholesale and retail). An import license covers all activities, including import, repackaging, wholesale and retail sale. A company need only obtain one of the three types of</p>	30	1,000	Department of Agricultural Extension (DAE)

² All yellow boxes signify incomplete or unconfirmed data.

	<p>licenses. A supplier license typically takes seven days and BDT 1,000 to obtain.</p> <p>Along with the registration fee, applicants for a dealership license must provide:</p> <ul style="list-style-type: none"> • Membership in the Bangladesh Fertilizer Association (for importers) • Board of Investment/Board of Small & Cottage Industries Corporation registration (for manufacturers) • Import Registration Certificate • Local Trade License • VAT Certificate • Tax Identification No. (TIN) • National ID card <p>Note that fertilizer is also imported and distributed through government channels. The government-owned Bangladesh Chemical Industries Corporation (BCIC) manufactures urea, TSP, MOP, and DAP fertilizer and sells through a network of licensed wholesalers and dealers. A wholesale license from BCIC has no fee, but requires a deposit of BDT 200,000. Retailers place a deposit of BDT 30,000. The wholesale license is issued to up to 10 firms per upazila while there can be up to 9 BCIC-licensed retailers at the union level. The BCIC sets the price of fertilizers and distributors make a set profit margin. Respondents noted that fertilizer sales are subsidized, sometimes up to 50% of the total cost. According to one respondent, the BCIC has about 80% market share of total fertilizer sales. The private sector does not actively compete with the BCIC in selling the four main fertilizer types, and instead provides other fertilizer products.</p> <p>Fertilizer manufacturers would additionally require an Environmental Clearance Certificate from the Department of Environment. There is no inspection or cost to the certificate. In practice facilitation fees common – respondents listed costs of BDT 5-10,000.</p>			
TOTAL	4 procedures	75-77 days	USD \$171-195	

D. Time/Cost/Procedures for Registering a Proprietary Fertilizer

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Application for New Product Registration</p> <p>There are currently 74 standard fertilizers in Bangladesh for which any company can get</p>	30	0	Technical Sub-Committee, Bangladesh Agricultural Research

	<p>permission to sell without going through the lengthy product registration process. New fertilizer compositions that are not on the approved list must go through the standardization process, which includes review and field testing. To initiate the standardization process, candidates apply to BARC with an application and supporting documentation, including:</p> <ul style="list-style-type: none"> • Trade License, TIN, Certificate of Incorporation • BFA Membership Certificate • Bank Solvency Certificate • List of machinery • Analytical report of fertilizer composition • Supporting technical literature <p>Very new types of fertilizers might also require an Environment Report from the Department of Environment to be submitted with the application for new product registration. The Environment Report costs BDT 10,000 and takes 30 days to obtain.</p> <p>The time required to review new product applications varies greatly depending on the quality of the application and the time it takes applicants to respond with required documents. Respondents noted that fertilizer is a lucrative business in Bangladesh and many applications are made by entrepreneurs or new firms with little expertise or knowledge of fertilizer.</p>			Council (BARC) & Department of Agricultural Extension (DAE)
2	<p>Field Testing</p> <p>The Technical Sub-Committee, through one of Bangladesh’s research organizations (BARC, BIRI for rice, BARI for wheat) tests fertilizer samples and administers field tests for a minimum of one season in two locations. Respondents noted a minimum of two years of field tests in order to complete an average of two seasons of trials.</p>	730	40,000 (20,000 per product per year)	BARC or crop-specific research organization
3	<p>Approval by National Fertilizer Standardization Committee</p> <p>The National Fertilizer Standardization Committee, chaired by the Secretary of the Ministry of Agriculture and including experts from BARC, DAE, universities, and scientists, meets twice a year to review applications for new fertilizer products. Once approved, the product is published in the national Gazette and added to the list of standardized fertilizers.</p>	60	0	National Fertilizer Standardization Committee, Ministry of Agriculture
4	<p>Gazette Notification</p> <p>Once a new product is approved it is listed in the gazette, which can take up to 30 days to be printed. After gazette notification, the company is approved to begin sales of the product and the company may choose to trademark a trade.</p>	30	0	Bangladesh Government Press

TOTAL	4 procedures	850 days	USD \$488	
--------------	---------------------	-----------------	------------------	--

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	No	There are no provisions for a shortened registration process.
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	Yes	Once a company registers a product, it is added to the list of accepted fertilizers. There are currently 74 standard fertilizers in Bangladesh for which any company can get permission to sell. Companies who want IP protection register their trade name for the fertilizer with a trademark (takes approx. 30 days with Department of Patents, Designs, and Trademarks).

E. Licenses and Permissions for Crop Protection Chemical Providers

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	Local Trade License The trade license is a prerequisite to operating any business in Bangladesh and is specific to the union or municipality. Companies with multiple offices across municipalities would need a trade license for each location. Facilitation fees are common.	5-7	3-5,000 depending on amount of authorized capital	Dhaka City Corporation or relevant union council
2	Bangladesh Crop Protection Association (BCPA) Membership Agro-input providers must join a business association or Chamber of Commerce for crop-protection chemicals in order to obtain an Import Registration Certificate. Membership in BCPA is not yet mandatory but will be required soon.	30	10,000	Bangladesh Crop Protection Association (BCPA)
3	Import Registration Certificate (IRC) An IRC is required for any business importing goods into Bangladesh. The agro-input provider must apply to the Export/Import Authority within the Ministry of Commerce. Required documents include:	10	5,000	Office of the Chief Controller of Import & Export (CCIE), Ministry of Commerce

	<ul style="list-style-type: none"> • Membership Certificate to relevant Business Association or Chamber of Commerce & Industry • National ID card • Tax Identification Number (TIN) • Bank Solvency Certificate <p>The IRC costs a minimum of BDT 5,000 depending on the company's amount of authorized capital, and is valid for one year.</p>			
4	<p>Pesticide Import License</p> <p>The DAE's Plant Protection Wing (PPW) licenses all pesticide dealers. The PPW has seven types of licenses that cover different tasks in pesticide import, formulation, and wholesale and retail sale. Each license is valid for two years and has a renewal cost of half of the original license fee. For an import license, applicants must provide the following (along with the registration fee of BDT 2,000):</p> <ul style="list-style-type: none"> • Local Trade License • VAT certificate and Tax Identification Number (TIN) • Import Registration Certificate (IRC) • Letter of No Objection from international source company • Authorization letter from international source company • Registration certificate from the DAE for the product(s) to be imported <p>Other pesticide licenses not listed below and not applicable to this case study include:</p> <ul style="list-style-type: none"> • Repackaging license (BDT 2,000) • Formulation license (BDT 5,000, 15-20 day application including site inspection) • Household pest control license (BDT 1,000) <p>Applicants would additionally file for permission from the Department of Environment for any facility concerning pesticide formulation or repackaging. There is no inspection or official cost. Facilitation fees are common – respondents listed costs of BDT 5-10,000 to obtain the certificate.</p>	30	2,000	Plant Protection Wing (PPW), Department of Agricultural Extension (DAE), Ministry of Agriculture
5	<p>Pesticide Advertisement License</p> <p>Any pesticide company wishing to advertise their products must first apply for an advertisement license from the PPW.</p>	0 ³	1,000	PPW, DAE, Ministry of Agriculture

³ Simultaneous with Procedure 4.

6	Pesticide Wholesale License Wholesale licenses are issued by the PPW's district field offices. Applicants must provide a local trade license, VAT certificate, Tax Identification Number (TIN), and an authorization letter from their supplier (importer, formulator, or repackager). The district field office does not inspect for approval of the wholesale license; however, agricultural extension officers at the upazila level conduct some site inspections.	15-21	1,000	PPW, DAE, Ministry of Agriculture
7	Pesticide Retail License Retail licenses are issued by the PPW's district field offices. Applicants must provide a local trade license, VAT certificate, Tax Identification Number (TIN), and an authorization letter from their supplier (importer or wholesaler). The district field office does not inspect for approval of the retail license; however, agricultural extension officers at the upazila level conduct some site inspections.	0 ⁴	500	PPW, DAE, Ministry of Agriculture
TOTAL	7 procedures	90-98 days	USD \$274-299	

F. Time/Cost/Procedures for Registering a Crop Protection Chemical

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	Environmental Impact Assessment The Department of Environment tests and clears the environmental impact of any new pesticide product. The assessment can take up to one month depending on the type of pesticide and tests required, and is a prerequisite for a new product registration.	7-30, depending on the type of pesticide	10,000	Department of Environment
2	Application for New Product Registration Any new pesticide products must be registered and approved by the Ministry of Agriculture. To initiate the registration process, candidates apply to the Plant Protection Wing (PPW) with a dossier and three product samples (technical, standard, and formulation). An application fee of BDT 20,000 covers the entire registration process. Applications must include the following documentation: <ul style="list-style-type: none"> Local Trade License, Tax Identification Number (TIN), VAT certificate 	3	20,000	Plant Protection Wing (PPW), Department of Agricultural Extension (DAE), Ministry of Agriculture

⁴ Simultaneous with Procedure 6.

	<ul style="list-style-type: none"> • Form 1 (product information) • MSGS (efficacy data) • Environmental Impact Assessment • Radiation certificate • Testing procedures <p>Documentation of existing patents on the product(s) in other countries to request patent protection in Bangladesh</p>			
3	<p>Evaluation and Recommendation for Field Tests</p> <p>After receiving an application, the PTASC meets and will recommend the product for further testing. Laboratory tests determine the chemical composition of the product and take 3-7 days depending on the types of testing necessary (for example, titration may take 7 days). The PTASC then convenes a second time to review the lab results and will recommend the product for field tests.</p>	20	0	Pesticide Technical Advisory Sub-Committee (PTASC), PPW, DAE, Ministry of Agriculture
4	<p>Field Testing</p> <p>Pesticides must undergo a minimum two seasons of field trials in two locations. In practice, this almost always requires two years to complete. There are twelve research organizations in Bangladesh that may be involved in conducting field trials, depending on the type of crop.</p>	730	0	PPW, DAE, Ministry of Agriculture
5	<p>Recommendation for Release</p> <p>The PTASC reviews the results of the field tests and recommends the product to be reviewed by the Pesticide Technical Advisory Committee (PTAC).</p>	15-30	0	PTASC, PPW, DAE, Ministry of Agriculture
6	<p>Pesticide Technical Advisory Committee Approval</p> <p>The PTAC, chaired by the Executive Chairman of the Bangladesh Agricultural Research Council (BARC), meets twice a year to review applications for new pesticide products. Once approved, the product is published in the national Gazette and added to the list of approved agrochemicals.</p>	60	0	PTAC, PPW, DAE, Ministry of Agriculture
7	<p>Gazette Notification</p> <p>Once a new product is approved it is listed in the Gazette, which can take up to 30 days to be printed. After Gazette notification, the company is approved to begin sales of the product and the company may choose to trademark a trade name.</p>	30	0	Bangladesh Government Press
TOTAL	7 procedures	865-903 days	USD \$366	

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	No	There are no provisions for a shortened registration process.
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	Yes	Bangladesh recognizes global patent rights for imported agrochemicals. As there is currently no manufacture or development of new pesticide products within Bangladesh, local firms do not apply for domestic patent protection.

STARTING AND OPERATING A FARM - BANGLADESH

A. Time/Cost/Procedures for Start-up and Operations of a Farm

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Local Trade License</p> <p>The trade license is a prerequisite to operating any business in Bangladesh and is specific to the union or municipality. Companies with multiple offices across municipalities would need a trade license for each location. Facilitation fees are common.</p>	5-7	3-5,000 depending on the amount of authorized capital	Relevant union council in Rajshahi
2	<p>Tax Identification Number (TIN) Certificate</p> <p>The TIN certificate has no official cost. In practice, all respondents noted paying “handling charges” averaging BDT 5,000 (and ranging up to BDT 10,000) in order to facilitate the process. To obtain a TIN, businesses must provide two copies of a passport size photo, the applicant’s national ID card, the company’s local trade license, and proof of a bank account.</p> <p>A value-added tax (VAT) certificate is necessary for farms engaged in exporting or food processing (not applicable to for the case study farm). The VAT certificate takes an average of 7 days to obtain from the National Revenue Board at no official cost. Unofficial costs average BDT 5,000.</p>	4	0	National Revenue Board
Total	2 procedures	9-11 days	USD \$37-61	

B. Access to Business Registration Index (0-5)⁵

Question	Index Score: 4	Comments
1. Are registration documentation and information on fees publicly available?	Yes	
2. Are registration documentation and information on fees available online?	No	

⁵ Indexes in the AGRI Index are primarily scored with “Yes” = 1 and “No” = 0. In a few instances, the opposite may be true or curved scoring may be used. For example, in the Seasonal and Migrant Workers Index in the Employing Agricultural Workers survey, Q1A

3. Is registration possible in every state/province?	Yes	The local trade license is issued at the union (local/municipal) level. The TIN certificate is issued by the National Revenue Board, which has offices in each of Bangladesh's seven divisions.
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	Yes	
5. Are registration steps the same regardless of the nationality of ownership?	Yes	

EMPLOYING AGRICULTURAL WORKERS – BANGLADESH

A. Time/Cost/Procedures for Hiring a Skilled Expatriate Worker

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Obtain 'E' visa</p> <p>Foreign individuals employed in local/foreign government/semi government/liaison/ industrial/commercial organizations or other equivalent organizations must apply for 'E' visa. Documents required to be submitted include permission letter from company, board resolution regarding employment of foreign worker, service contract or appointment letter, advertisement showing recruitment for local personnel, and statement of manpower showing local & expat expertise.</p>	Varies depending on Embassy policy	Varies depending on Embassy policy	Bangladesh Embassy in applicant's country
2	<p>Obtain work permit</p> <p>A work permit from the BOI for foreign nationals is a prerequisite for employment in Bangladesh, and must be applied for within 15 days after arriving in Bangladesh. Private sector industrial enterprises desiring to employ foreign nationals are required to apply in advance to BOI in the prescribed form. The BOI typically meets once a month. For expatriate employment the guidelines are as follows:</p> <p>i) Nationals of countries recognized by Bangladesh are considered for employment. ii) Employment of expatriate personnel will be considered only in industrial/commercial establishments which are sanctioned/registered by the appropriate authority. iii) Employment of foreign nationals is normally considered for jobs for which local experts/technicians are not available. iv) Persons below 18 years of age are not eligible for employment. v) A decision of the board of directors of the concerned company for new employment/employment extension is to be furnished in each case. vi) The number of foreign employees should not exceed 5% in the industrial sector and 20% in commercial sector of the total employees, including top management personnel. vii) Initially employment of any foreign national is considered for a term of two years, which may be extended on the basis of merit of the case.</p>	20	10,000	Board of Investment (BOI)
3	<p>Obtain a security clearance certificate</p> <p>A security clearance certificate is needed to pay taxes and comply with other legal</p>	N/A	N/A	Ministry of Home Affairs

	requirements while in Bangladesh.			
Total	3 procedures	20 days	USD \$122	

B. Seasonal and Migrant Workers Index (0-10)

Question	Index Score: 7	Comments
1. Do current regulations allow for the enlistment of workers on a casual basis (i.e. work on a daily or hourly basis)?	Yes	In Chapter 2, Section 4 (4) of the Bangladesh Labour Code 2006: "A worker shall be called casual worker if his employment in an establishment is of casual nature".
a. Are there statutory restrictions on the number of days a casual worker may be enlisted after which they must be converted to fixed-term contract, with similar rights and benefits as a permanent employee?	No	There are no specific provisions regarding this matter.
b. What is the maximum cumulative duration of a casual employment relationship?	No limit	There are no specific provisions regarding this matter.
2. Are there restrictions on the use of fixed-term contracts in hiring seasonal farm & agro-processing workers?	No	There are no specific provisions regarding hiring seasonal farm and agro-processing workers. The Agricultural Labour (Minimum Wages) Ordinance 1984 stipulates that the minimum rate of wages for agricultural labour per day shall be 3.27 kilograms of rice or such amount of money as is equal to the price of this quantity of rice in the local market.
a. What is the maximum cumulative duration of a fixed-term employment relationship, including all renewals?	No limit	There are no specific provisions on fixed-term employment.
3. Do current regulations allow for the use of farm labor contractors in recruiting and employing seasonal farm workers?	Yes	There are no specific provisions regarding this matter.
a. Is there a process for licensing and registration of farm labor contractors, including reasonable time and cost for registration?	No	There are no specific provisions regarding this matter.
4. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country's minimum wage (if applicable)?	Yes	Piece-work rate is specifically mentioned in Section 108 of the Labour Act for calculating over time and Section 12 for calculating wages due to stoppage of work. Therefore, piece-work is allowed. The rate at which piece-work will be done may be fixed by the Minimum Wages Board depending on the industry. Under Section 139 of the Labour Act 2006, the Government may, upon an

		application made to it by the employer or workers or both, consider fixing minimum rates of wages for the workers employed in a particular industry. Pursuant to the Government's direction, the Wages Board may recommend minimum rates of wages for all classes of workers in any grade and, in such recommendation, may specify- (a) minimum rates of wages for time-work and piece-work; and (b) minimum time-rates specifically for the workers employed on piece work.
5. Do current regulations allow for task-based pay, so long as anticipated income is consistent with the country's minimum wage (if applicable)?	Yes	There are no specific provisions regarding this matter.
6. Do current regulations permit the employment of migrant farm & low-skilled agro-processing workers (both domestic and foreign) on a seasonal basis?	Yes	There are no specific provisions regarding this matter.
7. Do current regulations permit the free movement of migrant farm & low-skilled agro-processing workers (both domestic and foreign) within the country?	Yes	There are no specific provisions regarding this matter.

ACCESSING RURAL LAND – BANGLADESH

A. Time/Cost/Procedures for Registering Rural Land

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	<p>Verify title documents and ascertain title</p> <p>The first step is to test/verify the title deed. A title deed may be tested in the concerned Sub-registry office to show that the deed provided by the Seller is in order, and all Bia deeds (proof of previous owner(s)) tested to prove a chain of ownership. Time required depends on availability of information/docs, access, co-operation of concerned office, etc. Speed money may be required, otherwise the timeframe will be longer.</p> <p>Property ownership may be shown by way of a record of rights (RoR) kept in the concerned land office (i.e. Union Land Office (Union level), Office of Assistant Commissioner of Land (Upazila level) or District Record Room (District level), as necessary). RoR is locally known as Khatian/Parcha, and includes a Khatian Number, District and Upazila name, Mouza (a particular constituency) name, Jurisdictional List (JL No.) number, name of the owner who possesses the land, plot number, total area of land in a plot, exact area of land, etc. To get a certified copy of the RoR, a minimal amount of BDT 100 is required (plus extra fees from BDT 2,000-3,000). It takes 10-30 days; if facilitated, it can take 1-2 days. These are typically obtained at the District level.</p> <p>It must also be confirmed that the proposed land has not been mortgaged with any bank or financial institution; is not securing payment with any other institution or individual; has not been leased out to others; and has no legal claim or any litigation case against it and the deed has not been tendered as evidence before any jurisdictional court of litigation.</p>	10-30	700	Union Land Office, Office of the Assistant Commissioner of Land, District Record room, settlement office (for land survey at Upazila or Divisional level), concerned Sub-registry office
2	<p>Mutation in Seller's name</p> <p>The Seller must get the land mutated in his/her name with the concerned land office, otherwise one cannot sell. The Seller has to apply to the Land Office, and the Land Office has to see that the Seller purchased the land using proper methods, then they will mutate his/her land. After receiving an application from the Seller, the Land Office gives notice to concerned persons. Around 15-30 days are given for filing any objections. If there are no objections, the Land Office mutates the land in the name of the Seller; registers his name in the Record of Rights, giving him a new title; and issues a holding number to the Seller, by</p>	90-180	700-1,500	Land Office

	which government collects rent. This process takes 3-6 months (3 months if no objections), and involves a minimal fee of BDT 700-1,500. To register in a Sub-registry office, a certified copy of a mutation Khatian in the name of the present owner (Seller) is necessary. It is the Buyer's duty to check that the land is mutated in the Seller's name.			
3	Obtain non-encumbrance certificate and other documents and assess potential claims The Buyer must make sure that there is no valid claim from adjacent land owners, government authorities or other individuals; perform physical verification regarding access to the land; collect a Mouza Map published by the Office of the Land Survey; collect up to date rent receipts from the Union land office that has been paid by the Seller; obtain a non-encumbrance certificate from the concerned authority (though this step does not often occur in practice); obtain a Duplicate Carbon Receipt (DCR) regarding the land at the Upazila land office (~BDT 250); and obtain other docs relating to the property. These steps may require speed money up to BDT 1,000. Note that because the land described in the case study exceeds the maximum limit of holding land, permission will be required from the concerned Office of Assistant District Commissioner of Land (Revenue).	5-10	400	Multiple land offices
4	Registration of deed of sale and payment of stamp duty Before formal registration, a Contract for Sale is created and executed between the Seller and Buyer (locally known as "Baina-nama"). To give legal effect to a Baina-nama, it has to be registered. When a Baina-nama is registered, then the formal Deed of Sale is submitted to the concerned Office of Sub-register under the Ministry of Law in the applicable Upazila for final registration within 30 days after execution of the Baina-nama. The deed must be prepared in a government-prescribed form. After registration, the Office of Sub-register will issue the Buyer a receipt to collect the new title deed. It takes 2-3 years to obtain a new title. The Buyer can get a certified copy of the title deed in the meantime, while waiting for the official document.	2-5	3% of consideration for stamp duty	Sub-registry office
5	Payment of taxes and fees The 2% registration fee is payable to the bank in favor of the sub-registry office and the receipt is to be presented at the moment of applying for registration.	1-2	1% for local government tax, 2% for government registration fee	Bank designated by sub-registry office
6	Submit application to local land office After completing registration, Buyer has to submit an application to the local Land Office to claim title/ownership of land and submit a copy of the deed for record correction and mutation in his/her own name, presenting the receipts of payment for registration fees.	45	5,000	Office of Assistant Commissioner of Land

	The application also includes a schedule of the property and a copy of the Parcha. The land office then sends a proposal letter for mutation to the land office at the Union level.			
7	Pay land tax at Union land office Buyer pays land tax and collects a rent receipt certificate, which is taken back to the land office at the Upazila.	2-3	BDT 25 per acre of agricultural land	Union Land office
8	Mutation in Buyer's name After receiving the rent receipt certificate, the land office will mutate the name, open a book, give the Buyer a holding number without which Buyer cannot pay local land tax, and provide a duplicate carbon receipt.	2-3	0 ⁶	Office of Assistant Commissioner of Land
Total	8 procedures	157-278 days	USD \$1,770-1,779⁷	

B. Access to Property Registration Index (0-7)

Question	Index Score: 4	Comments
1. Is real property registration possible in every state/province?	Yes	There are no barriers for registration except specific reasons, i.e. government property.
2. Can real property registration be accomplished via an automated, online process?	No	Manual process.
3. Is information and documentation about real property registration available online?	No	There is limited information available.
4. Are the steps and timeframes required for real property registration clear?	Yes	If there is a registered contract ("baina"), then the property has to be registered within 30 days of execution (Sec 17A, Reg. Act, 1908).
5. Are the steps for real property registration the same regardless of property size?	Yes	
6. Are the steps for real property registration the same regardless of the nationality of ownership?	Yes	When the purchaser is of different nationality, permission is required from the proper authority, i.e. Ministry of Land.
7. Is the quality of data in the land registry reliable, with few cases of dual or fake titles?	No	Data is not reliable.

⁶ Included in cost for Procedure 6.

⁷ Assumes consideration of 50*GNI per capita.

C. Utilizing Customary Land Index (0-12)

Question	Index Score: N/A	Comments
1. Do formal, wholly domestically owned entities (i.e. corporations, partnerships, cooperatives, sole proprietorships) have a legal right to lease customary land?	N/A	
<i>2. Do formal entities have a de facto right to lease customary land?</i>		
3. Is approval required from a governor or similarly high-level ministerial official to enter into a lease for customary land?		
4. What is the statutory maximum duration, if any, for a lease of customary land?		
5. What is the statutory maximum amount of customary land, if any, that a formal entity can acquire?		
6. Are there statutory restrictions on the right to produce on the land based on the leaseholder's own preferences?		
7. Are there statutory restrictions on the leaseholder's ability to subdivide, sublease or rent the land?		
8. Can a long-term (50+ years) leasehold interest in customary land be transferred to another formal entity?		
9. Can a long-term (50+ years) leasehold interest in customary land be registered and recorded in a manner that protects such registered interests?		
10. Does the legal framework allow long-term leaseholders (50+ years) to obtain mortgages on customary land?		
<i>11. Do such mortgages occur in practice?</i>		
12. Is there an impartial judicial or quasi-judicial body that has jurisdiction to hear cases or arbitrations involving customary land disputes?		

13. Is there a formal legal process to convert customary land to statutory land?		
14. Does the process involve clearly defined steps with identified and appropriate administrative bodies?		
15. Can the process be completed within a reasonable period of time, and within a reasonable amount of required costs?		
<i>Median time required?</i>		
<i>Range of time required (low to high)?</i>		
<i>Median cost required?</i>		
<i>Range of cost required (low to high)?</i>		

ACCESSING FINANCE – BANGLADESH

A. Agricultural Collateral Index (0-10)

Types of Collateral Allowed by Law	Index Score: 6	Comments
1. Farm equipment	Yes	Movable property can be encumbered through a fixed charge. Typically only tractors and vehicles are accepted.
2. Crop in field	Yes	Crops not typically considered movables and most banks do not accept as collateral except ag-oriented banks such as Krishi Bank. For sole proprietors (which are not registered entities), hypothecation is used where borrower maintains ownership over pledged collateral through contractual agreement between parties
3. Crop in warehouse	No	Crops not typically considered movables. No law in place. Currently only available through BADC-funded pilot of warehouse receipts system.
4. Livestock	No	Livestock not typically considered movables. Not done in practice due to issues with managing collateral.
5. Inventory	Yes	Allowed under a general floating charge for registered companies.
6. Patented plant variety	No	
7. Futures contract	No	
8. Accounts receivable	Yes	Allowed under a general floating charge for registered companies.
9. Buy/sell agreements	Yes	Allowed under a general floating charge for registered companies, though doesn't happen in practice.
10. Land and water rights	Yes	Land only, not water rights. Land is taken as a mortgage and is the preferred and primary means of collateral.

B. Movables Collateral Registry Index (0-11)

Question	Index Score: 4	Comments
----------	----------------	----------

1. What type of registry exists for registering movables collateral?	Multiple registries for different types of assets or security interests	<p>No specific movables collateral registry exists. Land (mortgages), hypothecation for fixtures, and general charges for movables are registered with the concerned Office of Sub-Registrar. Charges from sole proprietorships, which are not registered companies, are not registered.</p> <p>Mortgage deeds, general charges and hypothecation to Registrar of Joint Stock Companies (RJSC) for loans to LLCs and other registered companies. Mortgages also to Office of Assistant Commissioner of Land for registering land.</p> <p>Offices of Sub-Registrar for RJSC and Office of Assistant Commissioner of Land are located in every upazila (about 500 branches). The RJSC has four branches in the country. Office of Assistant Commissioner of Land is at the district level.</p>
2. Can security rights for a broad range of tangible and intangible movables (i.e. equipment, crops, livestock, accounts receivable, inventory, futures, etc.) be registered in the movables collateral registry?	Yes	In theory, general charges cover a broad range of movables. Livestock and crop are not typically considered movables.
3. Can security rights for all types of debtors, including sole proprietors, be registered in the movables collateral registry?	No	Collateral from sole proprietors not registered.
4. Is the movables collateral registry centralized, with a single unified database covering assets and creditors located throughout the country?	Yes	The Office of Sub-Registrar has upazila-level offices but is centralized at the national level. Country-wide information is searchable only from the national-level office.
5. Does the movables collateral registry operate a fully electronic database system?	No	Physical files.
6. Can registration and searching in the movables collateral registry be performed online?	No	
7. Is data from the movables collateral registry reliable?	No	Physical files are not all up to date.
8. Is real-time information from the movables registry widely accessible to the general public without any restrictions, including by those located in commercial centers outside of the capital?	No	
9. Can registration in the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	Yes	Registration takes 2-3 days and charges are reasonable. Registration costs depend on the value of the land or other collateral.

10. Can a search of the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	No	Searching takes 2-3 days (depends on how old the company is) and charges are reasonable. Cannot search all four RJSC branches from one location, so may need to search in multiple locations.
11. Does the secured lending system provide for priority based on order of filing?	Yes	

C. Warehouse Receipts System Index (0-14)

Question	Index Score: N/A	Comments
1. Are there any laws or regulations pertaining to warehouse receipts systems currently in force?	No	
2. Do such laws or regulations specify an entity tasked with registering, licensing, and oversight of warehouses?		
<i>2.a. Is such entity private or public?</i>		
3. Does the legal and regulatory framework provide clearly established criteria for registering a warehouse, such as specifications for the physical facility and equipment (ex. silos, cleaners, fumigators)?		
4. Does the legal and regulatory framework require warehouse operators to be licensed and establish clear requirements for obtaining an operator license?		
5. Does the legal and regulatory framework provide for commodity standards and grading systems?		
<i>5.a. Are such commodity standards and grading systems enforced effectively?</i>		
6. Are there established procedures and standards for handling the commodities in warehouse storage?		
7. Does the legal and regulatory framework provide for regular inspections by the regulating entity or licensed third-party inspectors?		
8. Does the legal and regulatory framework provide for consequences/penalties for non-compliance of the handling of commodities in storage?		
9. Does the legal and regulatory framework clearly specify who bears the risk of loss, destruction, spoilage or		

damage?		
10. Does the legal and regulatory framework specifically recognize warehouse receipts as a document of title and a security instrument that is negotiable, transferable, and subject to encumbrance?		
11. Are warehouse receipts registered in a centralized registry with an electronic database that is easily accessible to the general public?		
12. In case of liquidation or bankruptcy, does the legal and regulatory framework clearly specify that commodities stored in the warehouse are immune from the reach of warehouse operators' creditors?		
13. Under the legal and regulatory framework, which of the following items are warehouse receipts required to contain?		
13.a. Name and address of licensed warehouse operator		
13.b. Designation and grade of warehouse		
13.c. License number of warehouse		
13.d. Name and address of depositor		
13.e. Relationship between warehouse operator and depositor if not a strictly disinterested custodianship		
13.f. Description and quality of goods		
13.g. Whether goods are insured or not		
13.h. Net weight of goods		
13.i. Other: []		
14. Does the legal and regulatory framework provide for a specific forum to resolve disputes relating to warehouse receipts systems?		

COMPLYING WITH TAXES – BANGLADESH

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Income tax	5	167	Rates range from 0% to 25%	Taxable income
Municipal tax	1	10	Small amount	Flat rate based on location of farm, size of land and buildings on land
Land Tax	1	10	BDT 100-500	Based on geographical area, category of land and privileges
Vehicle Tax	1	5	For 1500 cc - BDT 15,000. For up to 2000 cc - BDT 30,000. For more than 2000 cc - BDT 50,000. For up to 2800 cc Jeep - BDT 60,000. For more than 2800 cc - BDT 100,000. For microbus - BDT 15,000.	Presumptive
Ownership renewal tax on vehicles	1	5	Based on rate declared by the authority	Presumptive
TOTAL	9 payments per year	197 hours per year	Total tax rate (% of profit): 17.4%	

TRADING AGRICULTURAL GOODS – BANGLADESH

A. Exporting an Agricultural Commodity

Procedures to Export an Agricultural Commodity	Time (days)	Cost (USD)
License and Document Preparation	18	\$153
Inland Transportation and Handling	2	\$350
Customs Clearance and Inspections	1	\$200
Port and Terminal Handling	2-3	\$300
TOTAL	23-24 days	USD \$1,003

Documents to Export an Agricultural Commodity
Letter of Credit
GSP
Phytosanitary Certificate
Fumigation Certificate
Certificate of Origin
Commercial Invoice
EXP Form
Packing List
Bill of Lading
TOTAL: 9 documents

B. Importing Hybrid Seed

Procedures to Import Hybrid Seed	Time (days)	Cost (USD)
License and Document Preparation	21	\$114
Port and Terminal Handling	9	\$200
Customs Clearance and Inspections	9	\$400
Inland Transportation and Handling	2	\$350
TOTAL	41 days	USD \$1,064

Documents to Import Hybrid Seed
Proforma Invoice
Import Permit
Letter of Credit
Phytosanitary certificate
Certificate of Origin
Bill of Lading
Commercial Invoice
Packing List
Certificate of Conformity
TOTAL: 9 documents

C. Seed Policy & Market Structure

Background Questions (Not scored)		Comments
1. Does the public sector import seed, either directly by government agencies or parastatals, or indirectly through procurement contracts with private firms?	No	The government-owned Bangladesh Agricultural Development Corporation (BADC) works with domestic research institutes to produce seed, but they are not allowed to import. BADC currently has about 22% market share in seed production.
1.a. If YES, are private firms also allowed to import seed without undue government restrictions?	Yes	Private firms can import and must follow a straightforward process of obtaining the necessary licenses and permissions.
2. Is there a monopoly or duopoly in seed imports? (i.e. one or two private or public importers control 75% or greater market share)	No	There are 5-6 major seed importers in Bangladesh.
3. Are import licenses required for companies to import hybrid seed, and are they cumbersome or pose a barrier to trade?	No	Import licenses are required but are not a barrier to trade. Generally, all businesses need an Import Registration Certificate. Seed providers also must obtain a dealership license for importing from the Ministry of Agriculture, as well as an import permit for seed on a per-shipment basis.
4. Are seed imports subject to an import duty? If YES, please list the amount of the duty or tax in the comments box.	No	Seeds are duty-free. They are subject to an Advance Income Tax (AIT) of up to 5% at time of entry.

RESOLVING CONTRACT DISPUTES – BANGLADESH

A. Time/Cost/Procedures for Resolving Contract Disputes

Background Questions (Not scored)		Response	Comments
1	Alternative mechanism most likely to be used for the dispute described in the Case Study Assumptions:		
	Small Claims Court	X	If the dispute arises outside metropolitan areas (and therefore cannot go to a Small Cause Court), the parties have discretion to go to the Village Court under the Village Courts Act 2006 where the claim is for up to BDT 25,000. Village courts are formal institutions operating at the union level and are a primary step in the dispute resolution process. They are very active in Bangladesh, with around 60% of cases resolved by Village Courts, and the most accessible option at the local level, assuming both parties are from the same union.
	Commercial Court		None in Bangladesh
	Specialized Agricultural Court		None in Bangladesh
	Alternative Dispute Resolution	X	ADR is only applicable when the parties have agreed upon an ADR method for resolving any dispute. Under the Arbitration Act 2001, both parties must agree in writing that any dispute will be resolved through arbitration. Many contracts in Bangladesh include arbitration clauses. Alternatively, if the parties apply for mediation or arbitration during the Court proceeding, the Court must refer the dispute for mediation or arbitration under Section 89(A) & (B) of Code of Civil Procedure 1908. There are also sector-specific associations that provide dispute resolution mechanisms.
	Other: Village Mediation	X	Village Mediation (also known as Salish). Village Mediation is conducted by local influentials/elites in an informal way. Many NGOs in Bangladesh also assist and conduct such mediation at village level.
	No such alternative mechanisms exist		
2	Jurisdiction of the alternative mechanism selected in Question 1	Depends on mechanism	
3	Minimum and maximum amounts in controversy, if any, that can be heard in the	BDT 25,000-30,000	This is applicable to the Village Court and Small Cause Court.

alternative mechanism selected in Question 1		
--	--	--

No.	Procedure	Time (days)	Cost (BDT)	Agency
1	N/A It is not possible to guess the approximate timeframe of each procedure as they vary from case to case. Similarly, costs also vary depending on the locality of the subject matter and the nature of the suit. A suit as described in the case study would be too large for Village Court, and would have to go to Rajshahi Civil Court, i.e. through the standard formal system. Arbitration may be used depending on the contract terms (though unlikely in this case), or mediation may be used.	N/A	N/A	N/A
Total	N/A	N/A	N/A	

B. Dispute Resolutions Mechanisms Index (0-6)

Question	Index Score: 6	Comments
1. Do alternative mechanisms to the formal court system to resolve contract disputes (i.e. small claims courts, commercial courts, alternative dispute resolution) adequately apply standard contract law principles?	Yes	Small Cause Courts and Village Courts are both part of the formal court system.
2. Are the costs entailed in using such alternative mechanisms reasonable and not prohibitive (ex. total costs do not exceed the amount in dispute)?	Yes	
2.a. Are the costs typically less than that of the formal court system?	Yes	
3. Is there a threshold amount in controversy for disputes to be heard in such alternative forums that poses an entry barrier to small or medium-sized formal agribusinesses?	No	
4. Are alternative mechanisms typically faster than the formal court system, with streamlined and simplified procedures?	Yes	Village Courts are faster and cheaper than Magistrate or Civil Courts. Arbitration and mediation are also quicker.
5. Are alternative mechanisms readily available outside of Dhaka?	Yes	

6. Are rulings through alternative mechanisms upheld in and enforced by the formal court system?	Yes	Arbitral awards are recognized and enforced by civil court, but enforcement can take a long time and the process can drag on.
---	-----	---

Kenya

STARTING A FARM – KENYA

A. Time/Cost/Procedures for Start-up of a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (KES)	Agency
1	<p>Name Search</p> <p>KES 100 per name. The applicable law is the Business Names Act (Cap 499). Business names are referred to as sole proprietorships. A business name is a trading name which differs from the names of the persons or the company who own the business. Registration of a business does not result in the creation of an entity with separate legal personality from its proprietors. The proposed name must be reserved pending registration. The application for name reservation should be made in writing and accompanied with the prescribed fees. It is advisable to have at least two (2) proposed names.</p>	3	200	Companies Registry - State Law Office
2	<p>Business Registration and Issuance of a Business Registration Certificate</p> <p>Once the name has been approved and reserved, the applicant should complete the statement of particulars (form BN2). The particulars to be provided in this form include the approved name, nature of business, address of principal place of business, postal address, particulars of the proprietors/ partners which include full names, nationality and citizenship, nationality of origin, age, sex, usual place of residence and other business occupation. After filling the form BN2, the applicant or his advocate should take the form together with the registration fee of Shs. 800 to the Companies Registry then lodge the form for registration. The applicant will be issued with a business registration certificate (Form BN 3) after approximately 7 days.</p>	7	800	Companies Registry - State Law Office
3	<p>Registration for Personal Identification Number/VAT</p> <p>The applicable laws are the Value Added Tax Act (Cap 476) and the Income Tax Act (Cap 470). A business cannot be issued with a PIN number for tax purposes as it is not a legal entity. For purposes of trading, the PIN to be used is that of the owner (proprietor) as he is personally liable for the liabilities of the business. However, the proprietor is required to register for VAT if his expected turnover is more than Shs. 3 Million (compulsory registration). The proprietor may still register for VAT even if the business does not meet the threshold so long as he will be making supplies and purchases.</p>	1	0	Kenya Revenue Authority (KRA)

4	Registration for National Social Security Fund (NSSF) The relevant law is the National Social Security Fund (Cap 258). NSSF provides employees with retirement benefits. Participation of all employees through their employers is mandatory. The employer pays a standard contribution of about 1% of the employee's salary subject to a maximum of Shs. 400 per month. Half the contribution is deductible from the employee's salary. This is only applicable to permanent employees and not casuals.	1	0	National Social Security Fund (NSSF)
5	Registration for National Hospital Insurance Fund (NHIF) The applicable law is the National Hospital Insurance Fund Act, 1998. The employee contributes a fixed sum to the NHIF which must be deducted by the employer from the employee's salary. The maximum contribution is Shs. 320 per month. Applicable to permanent employees and not those employed on a casual basis.	1	0	National Hospital Insurance Fund (NHIF)
6	Registration for Pay As You Earn (PAYE) Every employer is required to deduct income tax (PAYE) from his employees' salaries and remit it to KRA. Registration is mandatory.	1	0	Kenya Revenue Authority (KRA)
7	Obtain Single Business Permit Annual renewal, KES 200 fee, but fee varies by type, size, and location of business. http://www.businesslicense.or.ke/index.php/news/article/id/7	1	200 ⁸	Local/City Council
Total	7 procedures	15 days	USD \$15⁹	

B. Access to Business Registration Index (0-5)

Question	Index Score: 3	Comments
1. Are registration documentation and information on fees publicly available?	Yes	These forms are available at the Companies Registry at Sheria House, Nairobi. Information on the fees is also available at the registry and is also indicated on the forms.

⁸ All yellow boxes signify incomplete or unconfirmed data.

⁹ Exchange rates as of March 2012.

2. Are registration documentation and information on fees available online?	Yes	Downloadable forms are available on the State Law Office Website (www.attorney-general.go.ke). The fees that are payable are set out in the Registration of Business Names Rules made under section 22 of the Registration of Business Names Act (Cap 499). This Act and the rules are available and can be accessed by the public on www.kenyalaw.org .
3. Is registration possible in every state/province?	No	National level. Central registry in Nairobi.
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	Yes	
5. Are registration steps the same regardless of the nationality of ownership?	No	Private companies that intend to purchase agricultural property in Kenya cannot have foreign shareholders at all.

DEALING WITH LICENSES – KENYA

A. Licenses and Permissions to Operate a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (KES)	Agency
1	<p>Change of Land Use - Agricultural Zoning</p> <p>Apply to local authority under Physical Planning Act (1996), decision is made within 30 days of receipt of application through a Notification of Approval. No exact formula of registration – just go to the Physical Planning Office (district level) to see if the land had been used for another use, zone it for agriculture. Takes about 30 days and the costs differ based on location and physical access, exact cost uncertain but around 150 Shs per acre. Plus transportation cost and fee to hire professional surveyor.</p>	30	18,525	Physical Planning Department, Municipal/County Council
2	<p>Inspection for Change of Land Use</p> <p>Inspection of premises.</p>	0	0	Physical Planning Department, Municipal/Local Council
3	<p>Environmental Impact Assessment (EIA)</p> <p>EIA ensures that decisions on proposed projects and activities are environmental. Inspection involved, would occur for new crops, new seeds, infrastructure improvements. Not likely it will occur for many farms.</p>	60	0.1% of project cost	National Environment Management Authority (NEMA)
4	<p>Registration of Premises for Storage of Pest Control Products</p> <p>No person shall use any premises, or being the owner or occupier thereof permit or allow the premises to be used, for the purpose of manufacturing, formulating, packaging, selling or storing pest control products unless that person is in possession of a license issued under the Regulations of the Pest Control Products Act in respect of those premises.</p>	21	5,000	Pest Control Board
5	<p>Water Extraction License</p> <p>Water extraction license is required for tapping a reservoir or using a borehole. Ministry of Water inspects and issues a permit for a set volume, you pay by amount extracted.</p>		Pay by volume	Ministry of Water
6	<p>Application for Workplace Permit</p>		2,700	Directorate of Health & Safety (Ministry of Labor)

7	Pay Training Fee for Employees Employers must pay 50 KES per year per employee for training, this applies for all businesses.		500	Directorate of Industrial Training
Total	7 procedures	111 days	USD \$324	

B. Licenses and Permissions for Seed Provider

No.	Procedure	Time (days)	Cost (KES)	Agency
1	Registration as Seed Merchant The company must be a registered company with the registrar of companies and have at least seventy-five per cent of their business in either processing, production or marketing. This also applies to individuals wishing to register as a seed merchant. One has to be familiar with the Seeds and Plant Varieties Act (Cap. 326), this clearly indicates rules and regulations pertaining to seed trade, and is required to fill in FORM SR 3 detailing the areas the company wants to be registered for - production, processing, or marketing (NOT import). Cost is KES 75,000 for the application and 10,000 annual fees. If all application materials are in place, process takes an average of one month (1st week review of application, 2nd week inspection, 3rd week finalize & issue license), but often takes 2 months.	33	75,000	Kenya Plant Health Inspectorate Services (KEPHIS)
2	Inspection for Seed Merchant License An annual inspection of the premises, storage and handling, staff, and competence. Merchant pays for the inspection and is charged for mileage driven by inspector. This procedure is simultaneous with procedure 1. A seed seller would also require an inspection to certify, with the same cost for mileage.	7	0.35 KES per km	National Seed Quality Control Service, KEPHIS

3	Registration as Seed Seller The Seed Act (Cap. 26) states that each seed merchant must appoint a seed agent, subagent, and stockist to sell seed. In practice, wholesalers may choose to do retail sales or work through an agent. However, one firm would not have both a seed merchant and seed sellers' license. Agent registration costs KES 120,000 plus 30,000 annual renewal fee. Sub-agent KES 5,000/3,000, stockist KES 150/50. Each appointee must apply for a seed sellers' license through form SR 12, list the species to be sold and the storage facilities. To get a seed sellers' license, must be recommended by both seed merchant and District Agricultural Committee within the specific region, controls imposed to prevent sale of fake seed. After inspection, KEPHIS issues form SR-13, a seed sellers' license, which mandates the proper care and storage and germination levels of seed sold at the particular premises. http://www.wipo.int/wipolex/en/text.jsp?file_id=128403#LinkTarget_10855		125,150	KEPHIS
4	Obtain Single Business Permit Annual renewal, KES 200 fee. http://www.businesslicense.or.ke/index.php/news/article/id/7	1	200 but varies by type, size, location of business	Local/City Council
5	Application Using Notice to Import/Export FORM SR14 Seed import falls under Cap 326 of the seeds and plant varieties act. Only registered seed merchant can import seed. Costs USD 600 USD per Plant Import Permit.	1	49,200	KEPHIS
TOTAL	4 procedures	42 days	USD \$1,509	

C. Licenses and Permissions for Fertilizer Provider - N/A

D. Licenses and Permissions for Crop Protection Chemical Provider

No.	Procedure	Time (days)	Cost (KES)	Agency
-----	-----------	-------------	------------	--------

1	Application for Retail License There are specific requirements to be met by premises handling pesticides so as to be licensed. These are outlined under Legal Notice (L.N.) 145/1984 CAP 346 Laws Of Kenya. PCPB has three offices across Kenya, so the Nairobi office would only have to administer the Central Region. PCPB fees and forms are publicly available and online, but applications must be made physically.	90	1,000	Pest Control Products Board (PCPB)
2	Application for Import/Distribution/Wholesale/Agent License	1	4,000	PCPB
3	Application for Import Permit Importers must submit an application for an Import Permit to PCPB for every consignment. The permit costs 2,000 KES for shipments valued less than 500,000 KES, else 0.8% of FOB value of the shipment. The permit is valid for one consignment only for a period of up to 3 months.	1	2,000	PCPB
4	Application for Storage & Warehouse License	1	5,000	PCPB
5	Application for Repacking License	1	5,000	PCPB
6	Inspections for Licenses Inspection of retail premises includes stipulations as to facility construction and adequate ventilation, proper worker safety precautions, proper labeling, facility cleanliness, and provisions to avoid environmental damage. Inspections are free and mandatory and non-compliant facilities are given 45 day notice to make any necessary remedies in order to get the license. Inspection of facilities is annual. Capacity constraints within PCPB mean that average time to get inspection is 3 months. All facilities inspections can be undertaken simultaneously, but each license has a separate application and fee.	0 ¹⁰	0	PCPB
7	Application for License for Disposal of Waste		5,000	PCPB
8	Environmental Impact Assessment (EIA) EIA ensures that decisions on proposed projects and activities are environmental. Inspection involved, would occur for new crops, new seeds, infrastructure improvements.	60	0.1% of project cost	National Environment Management Authority (NEMA)
9	Supervision of Disposal of Waste	1	5% of cost of disposal	PCPB
TOTAL	9 procedures	155 days	USD \$267	

¹⁰ Included in total days for Procedure 1.

EMPLOYING WORKERS – KENYA

A. Hiring a Skilled Expatriate Worker

No.	Procedure	Time (days)	Cost (KES)	Agency
1	<p>Application and Approval of Entry Permit</p> <p>No charge for approval; upon approval, Sh 100,000 for 1 year. The applicable laws in Kenya are the Kenya Citizenship and Immigration Act, No 12 of 2011 and the Immigration Regulations made under the repealed Immigration Act (Cap. 172) and the Kenya Citizens and Foreign Nationals Management Service Act, 2011. The application is to be made by the employer. This worker would require a Class A entry (work) permit which is issued by a person who is offered specific employment by a specific employer and who is qualified to undertake employment and whose engagement in that employment will be of benefit to Kenya. The employer must demonstrate that the non-citizen has skills that are not present in the Kenya labor market and on the understanding that effective training programmes are undertaken to produce trained citizens within a specified period. The employer must also give details of steps taken to employ a Kenyan citizen to fill the vacancy including minimum entry requirements. In considering the application, the director or committee in charge of approvals may call for more information or summon the applicant for questioning.</p> <p>Once the application is approved, a notification of approval (Form A.1) is sent to the applicant. This notification also indicates the prescribed fee which should be paid by way of banker's cheque or a bank draft. The applicant is required to provide financial security as a condition precedent to the issue of the entry permit in the form of a bank/insurance bond. The security is meant to cover any expenses that the government may incur in the detention, maintenance, medical treatment, or removal from Kenya of the worker. The entry permit must be paid for within ninety (90) days from the date of notification otherwise the approval becomes null and void. The applicant is then required to submit a copy of the notification, the security (bank/insurance) bond and a banker's cheque for the prescribed fee for the issue of the entry permit. Once the entry permit is issued, the worker is required to present his passport the immigration offices for endorsement.</p>	60	100,000	Department of Immigration

2	Registration as an Alien Shs. 1,000 per year. The relevant law is the Kenya Citizenship and Immigration Act and the Aliens Restriction Order made under the Aliens Restriction Act (Cap 173) repealed by the Kenya Citizenship and Immigration Act, 2012. The repeal of the Act does not affect the subsidiary legislation made under it and remains in force until replaced by subsequent rules or regulations. Once the entry permit is issued, the worker is expected to apply for an alien registration certificate which he will use as an identification document while working in the country. The worker besides filing form A1 under the Act must present himself at the immigration offices to have his fingerprints and thumb impressions taken. He must also provide a valid passport or other official documents to establish his identity and nationality as well as four (4) copies of a photograph of himself. The alien certificate will be issued 5 weeks from the date of the application and remains valid for the same period as the entry permit and expires on the same date when the entry permit expires.	35	1,000	Department of Immigration
TOTAL	2 procedures	95 days	USD \$1,225	

B. Seasonal and Migrant Workers Index (0-4)

Question	Index Score: 4	Comments
1. Do current regulations permit the employment of agricultural workers (domestic or foreign) on a seasonal basis?	Yes	The Employment Act, 2007 recognizes the employment of domestic workers on casual basis, i.e. when and if their services are required. However, with regard to foreigners this may not be feasible as one requires to have been offered specific work on a contractual basis for at least one year.
2. Do current regulations permit the free movement of migrant farm & agro-processing workers (both domestic and foreign) within the country?	Yes	The law is silent on the movement of workers. These activities are however common as workers will move from one farm to another in search of job opportunities. This might, however, be difficult for foreigners.
3. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country's minimum wage (if applicable)?	Yes	The Regulation of Wages Order (General) (Amendment) Order, 2011 on minimum wages allows this.
4. Do current regulations permit reasonable employer flexibility in the definition of: tasks to be performed, work location, and work schedules?	Yes	

REGISTERING PROPERTY – KENYA

A. Time/Cost/Procedures for Registering Agricultural Land

No.	Procedure	Time (days)	Cost (KES)	Agency
1	<p>Request an Official Investigation of Title</p> <p>The investigation of title is a process aimed at determining whether the buyer is going to ultimately acquire a good marketable title/interest in the property. It is the buyer's advocate's obligation to investigate title. It involves the conducting of searches, pre-contract enquiries and requisitions. The official title search is conducted by a Ministry of Lands official, and involves the purposeful inspection of the register or title records at the relevant registry. These act as a shield to fraud. They are conducted to ascertain ownership of the interest as well as planning, environmental, encumbrances and other matters that may affect ownership which ought to be noted in the register kept by the land and titles registries. The results of an official search are guaranteed by the registries and the government as accurate. Since the land is registered under the Registration of Titles Act (Cap. 281), there are only two registries, one in Mombasa and the other in Nairobi. The search will therefore be conducted in Nairobi, in view of the fact that the land is in the Rift Valley. The buyer may choose to undertake additional searches for other charges that may affect the sale. Chattels transfers, debentures, and other registered charges are found in the Companies Registry at the State Law Office. The buyer may also conduct a search at the High Court of Kenya for bankruptcy proceedings.</p>	14	500	Government Land/ Titles Registry
2	<p>Obtain Consent to Transfer</p> <p>It is the obligation of the vendor to obtain the necessary consents to the transfer. This being agricultural land, it will be necessary to seek the consent of the Land Control Board under the Land Control Act (Cap. 302). The vendor is also required to obtain a rent clearance certificate from the Commissioner of Lands for a leasehold title.</p>	1		Land Control Board
3	<p>Lodge Transfer Instrument at Lands Registry</p> <p>The transfer instrument is lodged at the Lands Registry for stamp duty assessment, pending inspection by a government valuer.</p>	1	No cost	Government Land/ Titles Registry, Ministry of Land

4	Valuation and Site Inspection by Government Valuer and Provision of Valuation Report The government valuer visits the property to assess its worth taking into account the developments on the property and the state of the property among other considerations. Once the valuer has assessed the property's value he compiles a valuation report after which the value of the property is endorsed on the transfer instrument and then it is submitted for stamp duty assessment.	30	0	Government Land/ Titles Registry
5	Assessment of Stamp Duty Stamp duty payable on a transfer of land not situated within a municipality as in this hypothetical scenario is calculated at 2% of the value assessed by the government valuer. Stamp duty for transfer of property within a municipality is calculated at 4% of the assessed value. The stamp duty form (SD1) is then completed in quadruplet. The land officer at the registry will then assess the stamp duty payable and indicate the amount on the forms.	1	No cost	Government Land/ Titles Registry
6	Payment of Stamp Duty and Confirmation of Payment by Kenya Revenue Authority (KRA) After stamp duty has been assessed, payment will be made at any of the commercial banks designated by the KRA which is charged with the duty of collecting stamp duty. If the amount of the stamp duty is assessed at an amount that exceeds Shs. 1 million, payment by RTGS bank transfer. The KRA will confirm receipt of payment after 3 days after which the transfer can be lodged for franking as evidence of payment of stamp duty.	4	Shs. 100 (bank charges) + 2% of Property Value (stamp duty)	Government Land/ Titles Registry
7	Registration of Transfer Documents and Issuance of New Title Document or Transfer of Title Document Once the transfer instrument has been stamped, it will be lodged for registration at the relevant registry. The transfer instrument must be accompanied by the original title document. The Registrar will then issue a new title in the name of the buyer in the case of land registered under the Registered Lands Act.	14	500	Government Land/ Titles Registry
TOTAL	7 procedures	65 days	USD \$804	

B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety

No.	Procedure	Time (days)	Cost (USD)	Agency
1	<p>Application to Release a Variety</p> <p>KEPHIS service charter states that entries into the National Performance Trials (NPT) and Distinctness, Uniformity and Stability (DUS) Tests will be receipted not more than two weeks after submission.</p>	14	0	Kenya Plant Health Inspectorate Services (KEPHIS)
2	<p>Registration for National Performance Trials</p> <p>Applications are co-ordinated from Nairobi and mandated under the Seeds and Plant Varieties Act Cap 326. The seed and plant varieties (NPT Regulations, 2009) NPT testing requires a mandatory two seasons which generally means two years, although in theory it could be done in one year if irrigated or if the trials coincide with the proper seasons. NPT for maize seed varieties is divided into ecological zone or seed kits: mid altitude kit, highland kit, coast kit, etc., totaling 7 kits. The seed must go through a separate NPT kit if it is to be released across multiple ecological zones.</p>	720	\$1,000	KEPHIS
3	<p>Distinctness, Uniformity, and Stability Tests (DUS)</p> <p>Applications are coordinated from Nairobi. Only varieties that are new or have not been previously registered in other countries undergo DUS testing. A variety approved elsewhere would only do NPT, and KEPHIS would purchase the DUS results from such a government on behalf of the seed company. Procedure 3 is recommended to be simultaneous with Procedure 2 to hasten variety release. Without DUS even with excellent NPT data = NO RELEASE. Tanzania and 3 East African countries trying to harmonize procedures, which are slightly differently.</p>	0	\$600	KEPHIS

4	Recommendation for Release The National Performance Trials Committee (NPTC) as per Cap 326 guided by KEPHIS evaluates new seed varieties and issues a recommendation for release. The recommendations would then be evaluated by the National Variety Release Committee (NVRC), chaired by the Ministry of Agriculture, KEPHIS secretariat. NVRC meets at least once a year. NVRC issues the release of the new variety which must be gazetted with 14 days from that meeting. The process takes about two months from crop harvest to release and the variety is finally cleared for commercial production. All maize seed varieties sold in Kenya must still be certified by the National Seed Quality Control Service (KEPHIS) which involves field tests, sampling for varietal purity, multiple inspections in the field and testing germination percentages.	60	\$240	KEPHIS, Ministry of Agriculture
TOTAL	4 procedures	794 days	USD \$1,840	

C. Access to Property Registration Index (0-6)

Question	Index Score: 3	Comments
1. Is real property registration possible in every state/province?	No	If the land is registered under the Registered Land Act (Cap. 300), it is possible to register property in every district. However, for land registered under the Government Lands Act, Registration of Titles Act, there are two registries only in the whole country, one in Nairobi and the other in Mombasa.
2. Can real property registration be accomplished via an automated, online process?	No	
3. Is real property registration information and documentation available online?	No	
4. Are real property registration steps and timeframes clear?	Yes	
5. Are real property registration steps the same regardless of property size?	Yes	
6. Are real property registration steps the same regardless of the nationality of ownership?	Yes	

D. Strength of Property Rights Index (0-3)

Question	Index Score: 3	Comments
1. Do owners or leaseholders have the right to sell, lease, bequeath, or otherwise transfer their rights in land regardless of gender, race, tribal affiliation, political affiliation, or geographical origin?	Yes	
2. Do owners or leaseholders have the right to produce on the land based on own preferences?	Yes	
3. Do owners or leaseholders have the right to obtain long-term tenure rights in customary land that can be registered and recorded in a manner that protects such registered interests?	Yes	

GETTING CREDIT – KENYA

A. Strength of Legal Right Index (0-10)

Types of Collateral Allowed by Law	Index Score: 9	Comments
1. Farm equipment	YES	The Chattels Transfer Act (Cap. 28). Under this Act, a chattel is defined under section 2 to include farm equipment. However, for farm equipment to qualify as a chattel it must be completely transferable i.e., it must not be permanently fixed on the ground. Floating charge or debenture on movable assets as additional security to the land title deed.
2. Crop in field	YES	It is possible to take a chattels mortgage over crops, with crop insurance cover, assigned to the bank. In practice rarely done.
3. Crop in warehouse	NO	Unclear if laid out in laws/regs. Not done in practice. Warehouse Receipts Systems bill in Parliament.
4. Livestock	YES	The schedule of livestock secured should contain description of stock by some brand or brands, earmark or earmarks, or other mark or marks upon them or shall be so described or referred to by sex, age, name, colour or other mode of description as to be reasonably capable of identification.
5. Inventory	YES	Falls under chattels mortgage but not done in practice.
6. Patented plant variety	YES	Falls under chattels mortgage but not done in practice. Whilst you could take security over the crops, you cannot take security over intellectual property as this is not moveable property that can be completely transferred by delivery.
7. Futures contract	YES	Kenyan law is silent on this, but it is possible that this can be done. Kenya's law on futures trading is undeveloped.
8. Accounts receivable	YES	Under English common law, which is applicable in Kenya, debts can be used as collateral for loan.
9. Buy/sell agreements	YES	
10. Land and water rights	YES	Under Kenyan law, land can be used as collateral to obtain loan in a bank if the land has no legal encumbrances and is mortgage chartered (this is through the concept of charge or mortgage in conveyancing law). If the land belongs to a third party, a guarantee and indemnity for the amount borrowed is further drawn and the title documents are deposited with the lender. Water rights can as well be used as collateral for bank loan because under real property law, water rights can create proprietary right which by extension can be used to secure a bank loan.

PAYING TAXES – KENYA

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Income tax	3	200	30.0%	Taxable income
Pay As You Earn (PAYE)	12	112	Graduated	Gross salaries
Withholding tax	1	Included above	10.0%	Gross salaries
Social security	12	Included above	5.0%	Gross salaries
National Hospital Insurance Fund (NHIF)	12	Included above	KES 30 to KES 320	Applicable for any employee earning KES 1,000 and above
Value Added Tax	12	24	16.0%	Value Added
Land rent	1	2	Government rates	Based on gazetted rate for where land is located
Land rates	1	Included above	Various rates	Based on the gazetted rates
Single business permit - trader	1	4	Fixed fee (KES 20,000)	N/A
Fuel tax	Based on Refueling	2	KES 10.31 Per Litre	Fuel Consumption
Vehicle license	1	Included above	KES 1,500 Per Ton	Vehicle's Weight
Road maintenance levy	Based on Refueling	Included above	KES 5.8 Per Litre	Fuel Consumption
Petroleum development duty	Based on Refueling	Included above	KES 0.4 Per Litre	Fuel Consumption
Market levy			Fixed by local government	
TOTAL	56 payments per year	344 hours per year	Total tax rate (% of profit): 28.4%	

TRADING ACROSS BORDERS – KENYA

A. Exporting a Staple Grain

Procedures to Export a Staple Grain ¹¹	Time (days)	Cost (USD)
Licenses and Documents Preparation	13	\$24
Inland Transportation and Handling	10	\$1,000
Customs Clearance and Inspection	24	\$375
Port and Terminal Handling	10	\$510
TOTAL	57 days	\$1,909

Documents to Export a Staple Grain
Phytosanitary Certificate
Packing List
Terminal Handling Receipts
Department of Agriculture Permit (KEPHIS)
Certificate of Conformity and Test Results
Original Commercial Invoice
Original Bill of Lading
Clean Report of Finding
Cargo Delivery Note
Certificate of Origin
Customs Export Declaration
TOTAL: 11 documents

¹¹ Data based on one respondent.

B. Exporting a Perishable Good

Procedures to Export a Perishable Good	Time (days)	Cost (USD)
Licenses and Documents Preparation	16	\$85
Inland Transportation and Handling	6	\$1,000
Customs Clearance and Inspection	26	\$580
Port and Terminal Handling	8	\$510
TOTAL	56 days	\$2,175

Documents to Export a Perishable Good
Export License
Phytosanitary Certificate
Certificate of Conformity and Test Results
Department of Agriculture Permit (KEPHIS)
Original Commercial Invoice
Original Bill of Lading
Clean Report of Findings (CFR)
Certificate of Origin
Customs Export Declaration
Inspection Report
Packing List
Terminal Handling Receipt
TOTAL: 12 documents

C. Importing Hybrid Seed

Procedures to Import Hybrid Seed	Time (days)	Cost (USD)
Licenses and Documents Preparation	4	\$61
Port and Terminal Handling	14	\$525
Customs Clearance and Inspection	18	\$470
Inland Transportation and Handling	8	\$1,120
TOTAL	44 days	\$2,176

Documents to Import Hybrid Seed
Import Declaration Form (IDF)
Certificate of Conformity and Test Results
Phytosanitary Certificate
Plants Import Permit (PIP)
Original Commercial Invoice
Original Bill of Lading
Clean Report of Finding (CRF)
Packing List
Inspection Report
Terminal Handling Receipts
Inward Report (Form C2)
TOTAL: 11 documents

Nepal

OBTAINING INPUTS – NEPAL

A. Licenses and Permissions for Seed Providers

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Recommendation for Import Permission</p> <p>SQCC provides a recommendation letter to be submitted to the National Plant Quarantine Program who grants permission to import.</p>	1	0	Seed Quality Control Center (SQCC), Department of Agriculture
2	<p>Import Permit</p> <p>There is no import license for seed companies, only an import permit issued by the NPQP on a per-shipment basis.</p> <p>Company must provide application form with company certificate, Tax Identification Number (PAN) certificate, pro forma invoice, and agreement letter from international seed supplier. Applicable laws Plant Protection Act, 2064 (2007), Section 7 to 11; Plant Protection Rule 2066 (2010), Rule 5 to 7. The permit is valid for up to three months for one shipment of seed.</p> <p>http://licenseportal.nitc.gov.np/index.php/browse_license/license_details/185</p>	1	200 per variety per shipment	National Plant Quarantine Program (NPQP), Department of Agriculture (DOA)
3	<p>Recommendation for Seed Business License</p> <p>Before applying for a seed business license, companies must obtain recommendation from their local District Agricultural Office.</p>	1 ¹²	0	DOA
4	<p>Obtain Seed Business License</p> <p>Application includes firm registration certificate, PAN Certificate, receipt of fee payment, recommendation from District Agricultural Office, proof of proprietor's citizenship and two passport photos. SQCC provides mandatory one day training for seed dealers in Kathmandu, after which applicants must pass an exam to be duly registered. SQCC conducts regular inspections of seed dealers. The Seed Business License is valid for two years and renewable</p>	30	500	SQCC

¹² All yellow boxes signify incomplete or unconfirmed data.

	at NPR 200. http://licenseportal.nitc.gov.np/index.php/browse_license/license_details/239			
TOTAL	4 procedures	33 days	USD \$8¹³	

B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	Import Permit for Seed Sample Importer must apply to the SQCC for permission to import a small sample (amount varies by crop) of a new seed variety for research purposes.	7-30 depending on seed inspection time	100	Seed Quality Control Center (SQCC)
2	Application for New Variety Registration The seed supplier provides a sample of the new variety to SQCC for evaluations. They also submit company registration certificate, PAN certificate, and any additional documentation of the seed's prior use in other countries and intended use in Nepal.	1	0	SQCC
3	Recommendation for Field Trials SQCC reviews the application and recommends the variety for field tests. Time to approve depends on the time until the next cropping cycle and the availability of the Nepal Agricultural Research Council (NARC) research stations to conduct trials.	30	0	Technical Committee, SQCC
4	Field Trials Variety performance evaluation trial fees include two seasons of trial data from testing in an average of three locations (the variety must be tested in the agro-ecological zones where it is to be sold). NARC coordinates and conducts the trials. The field trial procedures currently apply to new varieties of cereal crops. Registration regulations for vegetable varieties are currently under review. Seed companies have requested a less-intensive registration process for vegetable seeds compared to cereal crops. Current practice in lieu of any clear regulations involves companies undertaking proprietary	730	200,000 for up to five varieties of one cereal crop	National Agricultural Research Council (NARC)

¹³ Exchange rates as of June 2012. Costs rounded to the nearest dollar.

	<p>field testing for vegetable varieties with oversight from district offices of the Department of Agriculture (DOA). The typical process costs roughly NPR 65,000 and includes:</p> <ul style="list-style-type: none"> • Plant sample seed with farmers for an average of one season in 1-2 locations (2-6 month season depending on crop) • DOA oversight with two inspections during the season – at flowering and at harvest • DOA submits efficacy report to SQCC (1 week, free) • Recommendation by SQCC and Approval by National Seed Board (see below) <p>Companies report that due to the lack of a regulatory framework for vegetable variety registration, the National Seed Board has not released any new vegetable varieties in the past year.</p>			
5	<p>Technical Committee Review</p> <p>Technical Committee comprised of agronomists, pathologists, entomologists, and other scientists evaluates field trial results and recommends release to the National Seed Board.</p>	60	0	Technical Committee, SQCC
6	<p>Variety Approval</p> <p>The National Seed Board, chaired by the Secretary of MOAD, is comprised of scientists and other stakeholders. The National Seed Board typically meets twice a year depending on applications and crop cycles. However, the National Seed Board apparently has not met or approved new varieties in the past year.</p>	60, highly variable	0	National Seed Board, Ministry of Agriculture Development (MOAD)
7	<p>Gazette Notification</p> <p>After the variety is released it must be published in the national Gazette, which must be reviewed by the Ministry of Law and may take over a year. As per regulations seed companies may not sell a new variety until it has been listed in the national Gazette, and companies report that the SQCC will not issue import permits without Gazette notification. The Seed Entrepreneurs’ Association has been lobbying on behalf of seed companies to request the ability to begin sales immediately upon variety approval.</p>	365, highly variable	0	Department of Printing
TOTAL	7 procedures	1,253-1,276 days	USD \$2,249	

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been	No	There is no facilitated variety release process for cereal crops. Vegetable crops in theory have a facilitated registration process; in practice the process has not

registered or field-tested in another country?		been formally instituted and the National Seed Board has not approved any new vegetable varieties in the past year.
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	Facilitated process varies by type of crop, not by country the variety has been approved in.
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	No	There are no exclusive rights to registered seeds – once a company has registered a variety, any company can sell it. In practice, seed companies establish exclusive distribution rights from international suppliers. Nepal currently has no Plant Variety Protection Act. A draft has been submitted to Parliament (which has not been established pending drafting of a new Constitution) and must pass a PVP law by July 2013 to conform to WTO concessions.

C. Licenses and Permissions for Fertilizer

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Fertilizer Dealer License</p> <p>Per Chemical Fertilizer Directive, 2057. Fertilizer companies who sell to farmers must be licensed by a District Agricultural Officer from the Ministry of Agriculture Development (MOAD). This license does not apply to importers or wholesale sales by importers.</p> <p>Time and cost are as listed on Nepal’s Business License Portal. http://licenseportal.nitc.gov.np/index.php/browse_license/license_details/259</p> <p>There is no license or permit system for fertilizer import. Procedurally, a fertilizer company need only open a Letter of Credit (L/C) to initiate the import process. Nepal Customs treats the L/C as an import permit.</p> <p>In practice there is a large shortage of fertilizer in Nepal – the government subsidizes roughly 100,000 tons of fertilizer but market demand is estimated to be closer to 700,000 tons per year. Most fertilizer imports unofficially cross the border from India.</p> <p>MOAD monitors all chemical fertilizer imports. Upon arrival at Nepal Customs, every chemical fertilizer shipment must be inspected by a company appointed by MOAD.</p>	7	105	Ministry of Agriculture Development (MOAD)

	<p>Inspections cost NPR 15-50 per ton depending on the inspection company. The inspector verifies both fertilizer quality and quantity through a physical inspection of the consignment. Samples are taken and sent to a laboratory for testing, which takes 3-4 days. In the meantime, the shipment clears customs and can proceed to Kathmandu. The importer is not allowed to sell the fertilizer until MOAD approves the inspection report. For organic fertilizer, no inspections are necessary. Importers of organic fertilizer note that they must pay a 20% duty on imports, while chemical fertilizers enter duty-free.</p> <p>There is no warehousing or storage license for fertilizer. The Fertilizer Control Order sets no specifications for warehousing or storage. Inspections and sampling do occur periodically.</p>			
TOTAL	1 procedure	7 days	USD \$1	

D. Time/Cost/Procedures for Registering a Proprietary Fertilizer

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Application for Fertilizer Registration</p> <p>A company wishing to import a new fertilizer composition must apply to MOAD and provide product specifications and samples. There are currently 28 approved chemical fertilizers in Nepal, of which only 3 or 4 are currently imported by the private sector due to low market demand. To be cost-effective, importers must procure a minimum of one shipload or 10,000 tons per fertilizer product.</p> <p>In practice, no private fertilizer companies apply for new fertilizers as the private sector is largely inactive. Private firms are unable to compete with government subsidies in urea, DAP, and potash that may amount to greater than 50% of the retail price. The government-owned Agriculture Inputs Company Ltd. (AIC) procures 110,000 metric tons of urea, DAP, and potash per year through global tenders and G2G agreements. The MOAD adds new fertilizer products to the approved list on an as-needed basis.</p>	1	0	Fertilizer Department, Ministry of Agriculture Development (MOAD)
2	<p>Approval of New Fertilizer Product</p> <p>MOAD reviews new applications and conducts laboratory testing. No field tests are conducted.</p>	Variable; several months to several years	0	Fertilizer Department, MOAD

3	Gazette Notification The fertilizer company may not begin sales of the new product until notification has been made through the national Gazette. This process may take up to two years.	365, highly variable	0	Department of Printing
TOTAL	3 procedures	366-731+ days	USD \$0	

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	Yes	All fertilizers in use in Nepal have been registered in another country(s). No field tests are conducted.
1.a. If YES, with which country(s) and what is the facilitated process?	All	Company must provide certificate of registration from the exporting country's supplier or manufacturer.
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	No	There is no patent protection for fertilizer products.

E. Licenses and Permissions for Crop Protection Chemical Providers

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Certificate of Registration of Pesticide</p> <p>Each company must obtain a Registration Certificate for every pesticide product (by trade name) that they import. The pesticide provider must submit an application listing the product trade name and molecule, chemical specifications, WHO classification, and countries of prior use. Additional attachments include:</p> <ul style="list-style-type: none"> • Evidence of foreign registration certificate(s) with trade name, including copies of the original pesticide label • Company Registration certificate and PAN number • Certified dealership through an authorization letter from the international supplier • Efficacy data and residue analysis • Environmental assessment / toxicological report (provided by international supplier) • Summary of intended use in Nepal • Leaflet in Nepali language <p>The Registration Certificate is valid for 5 years after which it must be renewed.</p> <p>A draft of new pesticide regulations have been submitted to Parliament, which would raise the Certificate of Registration costs to NPR 2,000.</p>	20	1,000	Pesticide Registration and Management Division (PRMD), Plant Protection Directorate (PPD), Department of Agriculture (DOA)
2	<p>Pesticide Business License</p> <p>Pesticide retailers/resellers must obtain a dealership license through the PRMD. Licensing</p>	30	500	PRMD, PPD, DOA

	<p>includes mandatory training and passing an exam. License is valid for two years.</p> <p>There is currently no pesticide manufacturing in Nepal. Other licenses issued by the PRMD not applicable to this case study include:</p> <ul style="list-style-type: none"> • Pesticide Formulation License – NPR 10,000, 30 days, valid for 2 years • Pesticide Applicator License – NPR 5,000, 45 days, valid for 2 years and includes mandatory training <p>Applicable laws: Pesticide Act, 2048 (1992); Pesticide Rules, 2050 (1994).</p>			
TOTAL	2 procedures	50 days	USD \$17	

F. Time/Cost/Procedures for Registering a Proprietary Crop Protection Chemical

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Application for Registration of a New Molecule</p> <p>Applicants submit the same Certificate of Registration (listed above) that is used for approved pesticides. Application must show report of the molecule from use in another country. The Pesticide Registration Board issues a temporary pass valid for one year.</p>	30	1,000	Pesticide Registration Board, PPD, DOA
2	<p>Field Trials</p> <p>Efficacy trials need to be conducted at government research fields under DOA or NARC supervision. Pesticides must undergo two seasons of field tests.</p>	365	200,000 ¹⁴	National Agricultural Research Council (NARC), Department of Agriculture (DOA)
3	<p>Approval of New Molecule</p> <p>The Technical Sub-Committee within the Pesticide Board meets to review the results of field trials and approve a new product for release. Once released, the product is listed in the national Gazette. Respondents noted they were allowed to begin commercial sales of the product before Gazette notification. If the product is found to not be suitable, the Pesticide Board will stop permitting its sale.</p>	30	0	Technical Sub-Committee, Pesticide Registration Board, PPD, DOA
TOTAL	3 procedures	425 days	USD	

¹⁴ Estimated cost. Under previous registration policy, Nepal conducted no field testing. Current policy stipulates two seasons of field testing, but the costs have not been confirmed.

			\$2,259	
--	--	--	---------	--

Background Questions (not scored)	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	No	Under previous registration policy, Nepal conducted no field testing and accepted efficacy data and toxicology reports from the international suppliers. Current policy stipulates two seasons of field testing for all new molecules regardless of prior registration.
1.a. If YES, with which country(s) and what is the facilitated process?	N/A	
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	No	Companies cannot register a patent. When a company imports a new molecule they go through the testing and registration process. After approval, any company can sell the molecule (under different trade names).

STARTING AND OPERATING A FARM - NEPAL

A. Time/Cost/Procedures for Start-up and Operations of a Farm

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Company Registration – Sole Proprietorship</p> <p>A sole proprietorship with an annual turnover of less than NPR 50 million can register as a small business with the DCSI. Sole proprietorships under the DCSI can register charges. DCSI has offices located in most districts. It is possible to register a company with minimal capital – as little as NPR 1,000 (USD \$15).</p> <p>The Nepali government has tax incentives for small businesses. Companies registered at the DCSI with less than NPR 1 million need not submit audit reports to the tax authorities (all companies at the Companies Registry must do so). Sole proprietorships at the DCSI pay no corporate tax (flat rate of 25% for all Companies), only individual income tax.</p> <p>Companies wishing to register with the DCSI must provide citizenship certificate, copy of land agreement, and a 4-5 page business scheme. Nominal annual renewal fees apply.</p>	1	20,000, depends on asset capital level	Department of Cottage and Small Industries (DCSI)
2	<p>Permanent Account Number (PAN)</p> <p>Every business in Nepal must obtain a tax identification number (PAN) for income tax and VAT purposes. There are three types of applications for PAN depending on the taxpayer type (Individual; company: partnership, LLC, corporation, etc.; and Tax Deduction at Source). Proprietors, partners, or CEOs of the concerned firm must apply in person or send a representative to the Inland Revenue Department office with power of attorney. In addition to the application form, the proprietor must submit citizenship certificate, two passport photos, and the business registration certificate. PAN has an annual fee of NPR 3,000.</p> <p>Information, documents, and filing is available online at http://www.ird.gov.np</p>	2	0	Inland Revenue Department
3	<p>VAT Registration</p> <p>Primary producers are exempt from VAT. Large farms, however, would register for VAT in order to get refunds for agricultural inputs including live animals, machinery, fertilizer, seed, and pesticide. Current threshold for VAT registration is NPR 2 million, and firms with annual turnover below the threshold can choose to register voluntarily.</p>	1	0	Inland Revenue Department

4	Register for Employee Provident Fund Provident Fund contributions apply to firms with 10 or more permanent staff. According to the law employers should deduct 10% from the employee's basic salary per month and add 10% from the company as an old-age pension contribution. The employer should deposit pension contributions in any commercial bank or with the Employees Provident Fund, an autonomous national pension plan.	2-3	0	Employees Provident Fund
Total	4 procedures	6-7 days	USD \$225	

B. Access to Business Registration Index (0-5)

Question	Index Score: 2	Comments
1. Are registration documentation and information on fees publicly available?	Yes	
2. Are registration documentation and information on fees available online?	No	
3. Is registration possible in every state/province?	Yes	
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	No	Depending on the size and type of company, firms may choose to register with the DCSI or the Companies Registry. Fees vary based on level of authorized capital. In addition, firms with 10 or more employees fall under the labor law, which may trigger additional compliance procedures.
5. Are registration steps the same regardless of the nationality of ownership?	No	

EMPLOYING AGRICULTURAL WORKERS – NEPAL

A. Time/Cost/Procedures for Hiring a Skilled Expatriate Worker

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Submit Application to Concerned Authority for Recommendation for Work Permit</p> <p>Section 4a of the Labor Act, 1992 (2048) (the Labor Act) and section 6 of the Labor Regulations, 1994 (2050) (the Labor Regulations) deal with the expatriate worker.</p> <p>Hiring expatriate worker is subject to approval of Department of Labor which is granted as per the recommendations of the concerned authority (i.e. for agro-expert Department of Agriculture, for irrigation expert Department of Irrigation), the Ministry of Home Affairs, and the district-level Labor Office. Approval is granted only if there is no skilled manpower available in Nepal for the job. The typical process is as follows:</p> <p>(i) The employer publishes advertisement publicly in national level newspapers for a period of 15-30 days. Advertisement cost depends on the coverage space, estimated at NPR 15,000.</p> <p>(ii) If no application for the job is received or no person with the required qualification is found, the employer enters into the agreement with the foreign expert.</p> <p>(iii) The employer submits an application to the concerned authority and thereafter to the Ministry of Home Affairs.</p>	3-7	10 stamp duty	Department of Agriculture or other relevant ministry
2	Obtain Recommendation from Ministry of Home Affairs	10	0	Ministry of Home Affairs
3	<p>Obtain Recommendation from Local Labor Office</p> <p>The employer is required to obtain a recommendation letter from the local Labor Office.</p>	7	0	Labor Office, Ministry of Labor

<p>4</p>	<p>Apply for Work Permit</p> <p>The existing Labor Laws do not specifically deal with the process for obtaining work permit from the Department of Labor. The Labor Laws also do not specify the government fee applicable to the work permit. The Department of Labor in practice requires the employer to pay NPR 10,000 as a government fee. The service of lawyers and notaries may also be required during the process and such fees are estimated at USD \$500-700.</p> <p>The Labor Act and the Labor Regulations do not specify the time limit for work permit. In practice, the work permit is valid for a period of 1 year and renewable for an additional year up to a maximum of 5 years.</p> <p>Indian nationals do not require visas to enter Nepal. In practice, many Indian nationals are engaged as workers without a work permit although regulators are of the view that the work permit requirement also applies to them.</p>	<p>10</p>	<p>10,000</p>	<p>Department of Labor and Labor Office</p>
<p>5</p>	<p>Obtain Non-Tourist Visa</p> <p>The Immigration Act, 1992 (2049) (the Immigration Act) and Immigration Regulations, 1994 (2051) (the Immigration Regulations) deal with visa related matters.</p> <p>The expatriate worker may enter Nepal under a tourist visa. Normally, tourist visa is granted at entry point except for national of some African and Asian countries. A Tourist Visa can be granted for 15, 30, or 90 days for which the visa fee should pay USD \$25, \$40, and \$100 respectively.</p> <p>Non-tourist visa is required for the expatriate worker to work in Nepal. The visa can be granted for 1 year at a time for which fee at the rate of USD \$20-60 per month should be paid depending upon the condition of work permit (USD \$20 for Chinese worker, USD \$60 for all others). After securing a work permit, a Tourist Visa can be converted into Non Tourist Visa.</p> <p>The cost estimated above is inclusive of the cost of Non-Tourist visa for 12 months for a total of USD \$720. Lawyer and notary fees would add an additional USD \$330.</p> <p>Visa requirement does not apply to Indian nationals.</p>	<p>1-10</p>	<p>USD \$720</p>	<p>Immigration Department</p>
<p>Total</p>	<p>5 procedures</p>	<p>31-44 days</p>	<p>USD \$832</p>	

B. Seasonal and Migrant Workers Index (0-9)

Question	Index Score: 7	Comments
1. Do current regulations allow for the enlistment of workers on a casual basis (i.e. work on a daily or hourly basis)?	Yes	Section 4 (3) of the Labor Act envisages that the worker employee may be hired on piece rate basis or contract basis.
a. Are there statutory restrictions on the number of days a casual worker may be enlisted after which they must be converted to fixed-term contract, with similar rights and benefits as a permanent employee?	Yes	<p>Section 4 of the Labor Act requires making a worker permanent when he works for continuous period of 240 days, inclusive of public holidays and weekends off (irrespective of s/he is hired on daily wage or contract).</p> <p>Section 2 (l) of the Labor Act defines a seasonal enterprise as one which can <u>only</u> operate during a particular season or where work is not available for more than 180 days in a year. For seasonal enterprises, a worker hired continuously for one season may be regarded as permanent. Seasonal workers who are regarded as permanent employees are entitled to 25% of their salary as a retainer during the off-season.</p>
b. What is the maximum cumulative duration of a casual employment relationship?	240 days for normal employment, or one season (< 180 days) for employment defined as seasonal	<p>Any worker who works for a continuous period of 240 days should be made permanent as required under section 4 (2) of the Labor Act. Therefore the maximum cumulative duration of casual employment should be below 240 days.</p> <p>In case of seasonal enterprise if any worker works continuously during the season he should be treated as permanent. Therefore, the term of casual employment should be shorter than the total working period of the seasonal enterprise.</p>
2. Are there restrictions on the use of fixed-term contracts in hiring seasonal farm & agro-processing workers?	No	<p>There are no specific restrictions as such for any industry. Section 7 of the Labor Act permits employers to hire workers on a fixed term contract basis for specific work, specifying the remuneration and facilities, so long as the work is not of a permanent nature.</p> <p>Pursuant to section 7 of the Labor Act employer can hire the worker on contract basis if the production or service needs to be increased immediately.</p>
a. What is the maximum cumulative duration of a fixed-term employment relationship, including all renewals?	None	

3. Do current regulations allow for the use of farm labor contractors in recruiting and employing seasonal farm workers?	Yes	<p>The Labor Act and Labor Regulations are not clear on this matter.</p> <p>In practice, manual work such as gardening, cleaning, messenger, security guard have been outsourced through third party contractors. The practice is not common in agriculture, however.</p> <p>Such practice has got judicial backing from the courts of Nepal.</p>
a. Is there a process for licensing and registration of farm labor contractors, including reasonable time and cost for registration?	No	<p>The law does not specifically deal with the issue of farm labor contractors. There have been many disputes in the courts from workers hired by third party contractors wishing to be made permanent.</p>
4. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country's minimum wage (if applicable)?	No	<p>Law is silent. In practice rarely done and depends on the terms of the labor contract.</p>
5. Do current regulations allow for task-based pay, so long as anticipated income is consistent with the country's minimum wage (if applicable)?	Yes	<p>Law is silent.</p>
6. Do current regulations permit the employment of migrant farm & low-skilled agro-processing workers (both domestic and foreign) on a seasonal basis?	Yes	<p>The law is not clear on the employment of foreign migrant farm labor. In practice, many Indian nationals have been involved even in low-skilled jobs in Nepal as there is an open border with India and they do not require an entry or work visa. The regulator is of the view that work permit requirements apply to Indian nationals, although in practice work permit requirements have not yet been strictly enforced.</p> <p>Current regulations do not permit employment of foreign low-skilled workers because a sound reason is required for obtaining a work permit. In certain cases it occurs (ie. Chinese construction companies getting permission to bring in low-skilled workers).</p> <p>Regarding the issue of hiring seasonal workers, the Labor Act defines seasonal enterprises and sets the terms (listed above) for seasonal employment. The Labor Department has the authority to determine whether or not an enterprise is a seasonal enterprise and its decision is final.</p>
7. Do current regulations permit the free movement of migrant farm & low-skilled agro-processing workers (both domestic and foreign) within the country?	Yes	<p>The existing law does not specifically restrict the movement of agricultural workers within the country.</p>

ACCESSING RURAL LAND – NEPAL

A. Time/Cost/Procedures for Registering Rural Land

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Confirm title of Seller</p> <p>Land cannot be registered/transferred without confirmation by the Seller that he has duly maintained his right/title over the land and has paid the regular land revenue to the government (<i>Country Code Section 17 Chapter on Registration</i>). The Buyer cannot apply to obtain copies of the official records of the said land, so must get such official records from the Seller who can apply for the same (verification of ownership title, number of plots and their codes, topographical maps of the land being transacted). Fees include cost of photocopying or map printing (ex. NPR 10 stamp in application, NPR 2 per page). Facilitation fees are common.</p>	1-2	300-400	Land Revenue Office (LRO)
2	<p>Obtain verification letter and other certificates</p> <p>The Seller must go to the VDC to certify the boundaries of the land (char kila) and what types of roads and buildings are on the land (ghar bato), as well as to obtain verification that land tax has been duly paid. The Seller receives a verification letter from the VDC, the costs for which vary depending on the particular VDC's rules and the size and types of improvements on the land. For the case study farm, estimated costs are NPR 3,000 for road and NPR 5,000 for house.</p>	1-2	8,000	Village Development Committee (VDC)
3	<p>Submit application for transfer</p> <p>When buying or selling land, a transfer deed must be drafted in the form provided by the LRO. An application is then submitted to the LRO that includes the following: citizenship certificates of Buyer and Seller, land ownership certificate, tax clearance certificate from VDC, verification letter from VDC, and documents showing the dimensions of the land. The LRO uses the information contained in the VDC verification letter to determine the land valuation, based on a set schedule with values for different types of roads and buildings, and checks its records for encumbrances on the land. A 2.5% registration fee is then applied to the LRO's land valuation if it is above the consideration indicated in the sale contract.</p>	3-4	N/A	LRO
4	<p>Pay registration fee</p>	1	2.5% of consideration	Bank

	The Buyer goes to the bank to pay the registration fee, and obtains a bank voucher which is submitted to the LRO.		or land valuation (whichever higher)	
5	Effectuate transfer deed Both Seller and Buyer or their representatives must be physically present in the LRO to confirm that they fully comprehend and are willingly entering into the transaction. Once payment has been made, LRO staff have confirmed that all formalities are in order, and the chief of the LRO puts the seal on and signs the deed, the deal is done. Then, the LRO gives the accordingly modified land ownership certificate to the Buyer. The Seller has to surrender all documents mentioned in Procedure 1 to the Buyer.	1-2	N/A	LRO
Total	5 procedures	7-11 days	USD \$677-678¹⁵	

B. Access to Property Registration Index (0-7)

Question	Index Score: 3	Comments
1. Is real property registration possible in every state/province?	Yes	National Code (<i>Muluki Ain</i>) Mahal 21. But it can be a lengthier process if done outside the district level.
2. Can real property registration be accomplished via an automated, online process?	No	The land records of Nepal have not been computerized.
3. Is information and documentation about real property registration available online?	No	Some information is available at the website of the Ministry of Land Reforms, but this information would not be enough for such a transaction.
4. Are the steps and timeframes required for real property registration clear?	Yes	National Code (<i>Muluki Ain</i>) Mahal 21. Timeframes may be less clear.
5. Are the steps for real property registration the same regardless of property size?	Yes	National Code (<i>Muluki Ain</i>) Mahal 21.
6. Are the steps for real property registration the same regardless of the nationality of ownership?	No	Foreigners cannot purchase land in Nepal (<i>Section 2 of Country Code Chapter on Others</i>).
7. Is the quality of data in the land registry reliable, with few cases of dual or fake titles?	No	Land registry data is not completely reliable, as the records are not in good physical shape and are not always accurate due to old survey data.

¹⁵ Assumes consideration of 50*GNI per capita.

C. Utilizing Customary Land Index (0-12)

Question	Index Score: N/A	Comments
1. Do formal, wholly domestically owned entities (i.e. corporations, partnerships, cooperatives, sole proprietorships) have a legal right to lease customary land?	N/A	There is no customary land as such in Nepal as it could mean land owned by indigenous communities and there is not such a difference between customary land and statutory land if we mean the customary land as a land owned by general public. For the purpose of this section, we mean by “customary land” the land owned by individuals. Lands in Nepal are owned either by individuals or by government, not by communities.
2. Do formal entities have a de facto right to lease customary land?		
3. Is approval required from a governor or similarly high-level ministerial official to enter into a lease for customary land?		
4. What is the statutory maximum duration, if any, for a lease of customary land?		
5. What is the statutory maximum amount of customary land, if any, that a formal entity can acquire?		
6. Are there statutory restrictions on the right to produce on the land based on the leaseholder’s own preferences?		
7. Are there statutory restrictions on the leaseholder’s ability to subdivide, sublease or rent the land?		
8. Can a long-term (50+ years) leasehold interest in customary land be transferred to another formal entity?		
9. Can a long-term (50+ years) leasehold interest in customary land be registered and recorded in a manner that protects such registered interests?		
10. Does the legal framework allow long-term leaseholders (50+ years) to obtain mortgages on customary land?		
11. Do such mortgages occur in practice?		

12. Is there an impartial judicial or quasi-judicial body that has jurisdiction to hear cases or arbitrations involving customary land disputes?		
13. Is there a formal legal process to convert customary land to statutory land?		
14. Does the process involve clearly defined steps with identified and appropriate administrative bodies?		
15. Can the process be completed within a reasonable period of time, and within a reasonable amount of required costs?		
<i>Median time required?</i>		
<i>Range of time required (low to high)?</i>		
<i>Median cost required?</i>		
<i>Range of cost required (low to high)?</i>		

ACCESSING FINANCE – NEPAL

A. Agricultural Collateral Index (0-10)

Types of Collateral Allowed by Law	Index Score: 7	Comments
1. Farm equipment	Yes	Such collateral is allowed as per Sections 34 and 35 of the Secured Transaction Act 2006 (“STA”). However, regulations under the STA have yet to be issued and a registry established. Equipment such as tractors, milling equipment, and dryers are accepted as collateral in general banking transactions (Section 47 (1) (g) of Banking and Financial Institution Act, 2006 (“BAFIA”)) and such assets can be used for collateral purpose via a contractual pledge on all movables (hypothecated). However, no priority is provided.
2. Crop in field	Yes	Same as above. Under the STA, farm products and other movables assets can be used as collateral, but cannot be registered until the STA comes into full force. This type of security is rarely used in practice.
3. Crop in warehouse	Yes	Same as above. In practice, this type of security is hypothecated.
4. Livestock	Yes	Same as above. There is little practice of taking this type of security in Nepal.
5. Inventory	Yes	Same as above. In practice, this type of security is hypothecated.
6. Patented plant variety	Law is silent	Such collateral is not used in practice.
7. Futures contract	Law is silent	Such collateral is not used in practice.
8. Accounts receivable	Law is silent	Assignment of receivables happens sometimes in practice. It remains to be seen how courts will interpret disputes regarding this type of security.
9. Buy/sell agreements	Law is silent	Very rare except in exceptional cases.
10. Land and water rights	Yes	Land is widely used as collateral through mortgages in the Land Revenue Office. Water rights are not used.

B. Movables Collateral Registry Index (0-11)

Question	Index Score: N/A	Comments
----------	---------------------	----------

1. What type of registry exists for registering movables collateral?	Multiple registries for different types of assets or security interests	<p>A movables registry is supposed to exist under the Secured Transactions Act 2006 (“STA”); however, it is yet to be established. As such, such assets can be used for collateral purposes, but do not provide priority.</p> <p>Charges over land and buildings are registered in the Land Revenue Offices (with specifications on class of lien) at District level, charges on vehicles are registered in the Transportation Management Office at Zonal level, and companies are registered in the Office of the Company Registrar (two offices located in Kathmandu and Lalitpur). A registry for movable assets does not exist yet.</p>
2. Can security rights for a broad range of tangible and intangible movables (i.e. equipment, crops, livestock, accounts receivable, inventory, futures, etc.) be registered in the movables collateral registry?	No	Movables cannot be registered since the registry under the STA is yet to be established.
3. Can security rights for all types of debtors, including sole proprietors, be registered in the movables collateral registry?	No	N/A for movables registry. Sole proprietors, both those registered as companies as well as small cottage industries, can register charges on land and vehicles the same as other debtors.
4. Is the movables collateral registry centralized, with a single unified database covering assets and creditors located throughout the country?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records cannot be searched by name or company without going to each district/regional branch. Companies Registrar is centralized.
5. Does the movables collateral registry operate a fully electronic database system?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records are all physical files.
6. Can registration and searching in the movables collateral registry be performed online?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records cannot be searched online.
7. Is data from the movables collateral registry reliable?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records are usually reliable.
8. Is real-time information from the movables registry widely accessible to the general public without any restrictions, including by those located in commercial centers outside of the capital?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office records are generally up to date, though Land Revenue Office records can only be searched by the landowner.
9. Can registration in the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office have reasonable registration times and costs.
10. Can a search of the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	No	N/A for movables registry. Land Revenue Office and Transportation Management Office have reasonable registration times and costs.

11. Does the secured lending system provide for priority based on order of filing?	No	When the registry is established under the STA, priority based on order of filing will be provided.
---	----	---

C. Warehouse Receipts System Index (0-14)

Question	Index Score: N/A	Comments
1. Are there any laws or regulations pertaining to warehouse receipts systems currently in force?	No	
2. Do such laws or regulations specify an entity tasked with registering, licensing, and oversight of warehouses?		
<i>2.a. Is such entity private or public?</i>		
3. Does the legal and regulatory framework provide clearly established criteria for registering a warehouse, such as specifications for the physical facility and equipment (ex. silos, cleaners, fumigators)?		
4. Does the legal and regulatory framework require warehouse operators to be licensed and establish clear requirements for obtaining an operator license?		
5. Does the legal and regulatory framework provide for commodity standards and grading systems?		
<i>5.a. Are such commodity standards and grading systems enforced effectively?</i>		
6. Are there established procedures and standards for handling the commodities in warehouse storage?		
7. Does the legal and regulatory framework provide for regular inspections by the regulating entity or licensed third-party inspectors?		
8. Does the legal and regulatory framework provide for consequences/penalties for non-compliance of the handling of commodities in storage?		
9. Does the legal and regulatory framework clearly specify who bears the risk of loss, destruction, spoilage or damage?		
10. Does the legal and regulatory framework specifically recognize warehouse receipts as a document of title and		

a security instrument that is negotiable, transferable, and subject to encumbrance?		
11. Are warehouse receipts registered in a centralized registry with an electronic database that is easily accessible to the general public?		
12. In case of liquidation or bankruptcy, does the legal and regulatory framework clearly specify that commodities stored in the warehouse are immune from the reach of warehouse operators' creditors?		
13. Under the legal and regulatory framework, which of the following items are warehouse receipts required to contain?		
13.a. Name and address of licensed warehouse operator		
13.b. Designation and grade of warehouse		
13.c. License number of warehouse		
13.d. Name and address of depositor		
13.e. Relationship between warehouse operator and depositor if not a strictly disinterested custodianship		
13.f. Description and quality of goods		
13.g. Whether goods are insured or not		
13.h. Net weight of goods		
13.i. Other: []		
14. Does the legal and regulatory framework provide for a specific forum to resolve disputes relating to warehouse receipts systems?		

COMPLYING WITH TAXES – NEPAL

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Income tax	4	164	Graduated	Taxable income
Withholding tax on salary payments	12	36	Monthly rate = annual income tax divided by 12	Gross salaries
Withholding tax on land rent payment	12	Included in above	0.1	Amount of rent
Social security	12	Included in above	0.01	Basic exemption limit
Provident fund	12	36	10% from employer, 10% from employee	Basic salary
Ownership renewal tax on vehicles	1	4	NPR 22,000 per annum	Per truck
Local business renewal fee	1	4	Various rates per VDC	Nominal, flat
TOTAL	54 payments per year	244 hours per year	Total tax rate (% of profit): 34.6%	

TRADING AGRICULTURAL GOODS – NEPAL

A. Exporting an Agricultural Commodity

Procedures to Export an Agricultural Commodity	Time (days)	Cost (USD)
License and Document Preparation	8	\$184
Inland Transportation and Handling	21	\$1,500
Customs Clearance and Inspections	2	\$250
Port and Terminal Handling	8	\$200
TOTAL	39 days	USD \$2,134

Documents to Export an Agricultural Commodity
Customs Export Declaration
Commercial Invoice
Packing List
Certificate of Origin, GSP Form A (if necessary – depends on importing country)
Bill of Entry
Phytosanitary certificate
Copy of L/C or Advance Payment Certificate
Bill of Lading
Customs Transit Document
Cargo Release Order
TOTAL: 10 documents

B. Importing Hybrid Seed

Procedures to Import Hybrid Seed	Time (days)	Cost (USD)
License and Document Preparation	8	\$126
Port and Terminal Handling	30	\$360
Customs Clearance and Inspections	4	\$425
Inland Transportation and Handling	14	\$2,140
TOTAL	56 days	USD \$3,051

Documents to Import Hybrid Seed
Recommendation for import
Import permit
Certificate of Origin
Cargo Release Order
Commercial Invoice
Packing List
Bill of Lading
Customs Import Declaration
L/C or TT (Telex Transfer)
Phytosanitary Certificate
Insurance Policy
TOTAL: 11 documents

C. Seed Policy & Market Structure

Background Questions (Not scored)		Comments
1. Does the public sector import seed, either directly by government agencies or parastatals, or indirectly through procurement contracts with private firms?	No	
1.a. If YES, are private firms also allowed to import seed without undue government restrictions?	N/A	
2. Is there a monopoly or duopoly in seed imports? (i.e. one or two private or public importers control 75% or greater market share)	No	Five companies currently import seed.
3. Are import licenses required for companies to import hybrid seed, and are they cumbersome or pose a barrier to trade?	No	<p>Per-shipment import permission required from Seed Quality Control Center and National Plant Quarantine Program. The import permit is easy to obtain and has a nominal fee.</p> <p>Variety registration poses a large barrier to introduction of new varieties. Hybrid seeds have not been seen as high yielding seeds and government is reluctant to release new varieties for import, preferring instead to encourage local production.</p>
4. Are seed imports subject to an import duty? If YES, please list the amount of the duty or tax in the comments box.	Yes	<p>Custom duty of 10% for seed (5% if imported from India).</p> <p>Seed is exempted from 13% VAT, in practice it happens occasionally such as for coriander, which can be used for seed or for spices.</p>

RESOLVING CONTRACT DISPUTES – NEPAL

A. Time/Cost/Procedures for Resolving Contract Disputes

Background Questions (not scored)		Response	Comments
1	Alternative mechanism most likely to be used for the dispute described in the Case Study Assumptions:		The dispute described in the Case Study Assumption is most likely to go to regular court since Nepal law does not require settlement of such disputes through alternative mechanisms first. However, there are alternative mechanisms available if the parties in the dispute choose to settle the case through alternative mechanisms.
	Small Claims Court		No small claims court exists in Nepal.
	Commercial Court		Commercial benches are a part of the regular court system, though they deal with commercial disputes. Cases related to the Competition Act, Secured Transaction Act and other areas of commercial law as specified by the Government through a notification shall be heard by the commercial bench of the Appellate Court. However, such commercial benches do not exist in districts courts.
	Specialized Agricultural Court		No such specialized agricultural court exists in Nepal.
	Alternative Dispute Resolution	X	Court-referred mediation is available (Mediation Act, 2011 and Rule 32 of District Court Rules, Rule 53 (D) of Appellate Court Rule 1992 and Rule 65 (D) of Supreme Court Rules, 1993), and most likely to be used for the case study dispute. A separate Arbitration Act, 1999 is in force to deal with matters relating to commercial law.
	Other		Alternative mechanisms other than arbitration and mediation are not commonly used in Nepal. However, other alternative mechanisms like Med-Arb conciliation may be available if the parties choose so.
	No such alternative mechanisms exist		N/A
2	Jurisdiction of the alternative mechanism selected in Question 1		According to the Court Rules stated above, the jurisdiction of mediation is over all of Nepal. These Court Rules provide for court-referred mediation. An increasing number of cases are being referred to mediation as 30 district courts out of 75 districts now have Mediation Centers within the court premises. Other courts will also have such Mediation Centers soon. The Mediation Centers have an updated list of mediators. The list of mediators includes lawyers, businessmen and other people from local society.

			The Mediation Act provides for court- annexed mediation so that parties to the dispute themselves settle the dispute before coming to court and later record the same in court. The Government of Nepal is yet to publish the date to put the Mediation Act, 2011 into force. The Act itself was promulgated on May 9, 2011.
3	Minimum and maximum amounts in controversy, if any, that can be heard in the alternative mechanism selected in Question 1		There is no such threshold of amount in controversy that can be heard in alternative mechanisms. Any dispute can be heard in alternative mechanisms.

No.	Procedure	Time (days)	Cost (NPR)	Agency
1	<p>Selection/appointment of mediator</p> <p>A case in regular district court shall be decided within a time of one year. In practice, it generally takes more than one year. Once a case is referred to mediation by the court and the parties agree to mediation, the mediator is selected by the parties themselves from among the list of mediators available at the mediation center. This takes less than a couple of weeks.</p> <p>The fee for a claim of more than NPR 250,000 is 1% of the claim (<i>Section 6 of Court Fee Act, 1990</i>). If a case already filed in court is settled through mediation, 50% of the court fee will be returned. The filing charge for a petition or a claim in a Commercial Bench is NPR 100. For review, it is NPR 100. Written response is NPR 50 and any other application is NPR 5 (Rule 10 (4) B of the said Appellate Court Rule). The filing charge for general civil cases is the same.</p> <p>There shall be no official filing fee when a court refers a case to mediation. The court itself pays a nominal fee to mediators. The fee for filing a case in district or appellate court is nominal.</p>	14	0.5% of claim	N/A
2	<p>Mediation process</p> <p>If a court refers a case for mediation, the court allows 1 month for the settlement of the case, with the ability to grant extensions up to 3 months if there are significant reasons. Mediation is comparatively shorter and quicker in comparison to the court process. Arbitration generally takes less time than the court process as well, though it is more expensive than mediation and used for larger contract claims.</p>	60	No official cost for the parties	N/A

	<p>Once the parties choose their mediator from among the list of mediators in the Mediation Centers, the mediator calls a mediation session. If the parties do not agree on a single mediator, there may be two or three mediators. At the beginning of the mediation session, the mediator(s) shall clarify to the parties that he is not a judge and not their lawyer but an independent mediator. Everything in the mediation process shall be strictly confidential. Anything spoken or positions taken by the parties during the mediation session shall not in any way affect the court proceeding if the dispute cannot be settled through mediation and later goes back to the court again. The mediator does not focus on the legal rights of the parties but rather concentrates on settling the case for the mutual benefit of both parties. Evidence and witnesses can be considered during the mediation process. The case may be settled by one session within hours or even in less than an hour, or multiple mediation sessions may be called for upon mutual consent of the parties.</p>			
3	<p>Settlement of dispute through mediation</p> <p>Once the dispute is settled through mediation and the terms and conditions of the settlement are confirmed, the mediator writes the same and sends the file back to the court. The parties and the mediator shall appear before the judge of the court on the day when the case is appointed for its final disposal. The mediator briefs the court about the mediation settlement and the case is finally disposed. The settlement (decision) of mediation is generally enforced quickly and effectively since it is done on mutual consent of the parties. In many occasions, the settlement is partially or totally enforced before the mediator briefs the settlement to court. If a case is settled in a mediation center referred by a court, there is no settlement charge required.</p> <p>Note that although the majority of cases with the potential for mediation are currently referred to mediation, results have been mixed in terms of resolution. If there is no settlement, the case goes back to court. Policies that encourage greater use of mediation are needed.</p>	1	None	N/A
Total	3 procedures	75 days	USD \$467	

B. Dispute Resolutions Mechanisms Index (0-6)

Question	Index Score: 6	Comments
1. Do alternative mechanisms to the formal court system to resolve contract disputes (i.e. small claims courts, commercial courts, alternative dispute resolution)	Yes	Commercial benches apply standard legal principles. Strict legal principles are not as applicable to alternative dispute resolution such as mediation.

adequately apply standard contract law principles?		
2. Are the costs entailed in using such alternative mechanisms reasonable and not prohibitive (ex. total costs do not exceed the amount in dispute)?	Yes	Nominal costs may be incurred in mediation.
2.a. Are the costs typically less than that of the formal court system?	Yes	However, it may not be the same situation for arbitration. Arbitration is costly compared to mediation. However, such costs do not exceed the amount in dispute.
3. Is there a threshold amount in controversy for disputes to be heard in such alternative forums that poses an entry barrier to small or medium-sized formal agribusinesses?	No	
4. Are alternative mechanisms typically faster than the formal court system, with streamlined and simplified procedures?	Yes	The alternative mechanisms are faster than the formal court system.
5. Are alternative mechanisms readily available outside of Kathmandu?	Yes	
6. Are rulings through alternative mechanisms upheld in and enforced by the formal court system?	Yes	Generally, rulings through alternative mechanisms are upheld in and enforced by the formal court system. However, there are some cases where courts have declined to uphold and enforce rulings of arbitrators where arbitrators exceed their authority or their rulings are in apparent error of law.

Uganda

STARTING A FARM - UGANDA

A. Time/Cost/Procedures for Start-up of a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	<p>Registration of Business Name</p> <p>The Business Names Registration Act (Cap 109) requires an individual having a place of business in Uganda and carrying on business under a business name which does not consist of a true surname of the individual to register that name with the Uganda Registration Services Bureau. For sole proprietorship, fee includes search and registration, which in most cases is done concurrently. Process is manual and centralized, requiring travel to Kampala. No stamp duty for sole proprietorship. Separate steps are required to: 1) go to URSB, 2) get tax assessment, 3) go to cashier, 4) make payment at bank, 5) take bank slip back to cashier, 6) cashier reconciles and confirms payment, and 7) take receipt back to URSB to register.</p>	4	40,000	Uganda Registration Services Bureau (URSB)
2	<p>Application for Tax Identification Number</p> <p>Registration is done online at ura.go.ug.</p>	¹⁶	0	Uganda Revenue Authority (URA)
3	<p>Registration for National Social Security Fund (NSSF)</p> <p>The requirement for registration with NSSF applies only to employers employing 5 or more employees. Upon registration, an employer is required to pay to the fund 15% on the total monthly wages of an employee. The employee's standard share of contribution is 5% and the employer pays the remaining 10%. A physical form must be submitted in person. The NSSF has branches up country.</p>	5	0	National Social Security Fund (NSSF)
4	<p>Apply for Pay as You Earn (PAYE)</p> <p>The employee is required to withhold and remit PAYE on the employee's wages. This does not apply to employees earning less than Ug. Shs. 130,000/month.</p>	1	0	URA
TOTAL	4 procedures	10 days	USD \$17¹⁷	

¹⁶ All yellow boxes signify incomplete or unconfirmed data.

¹⁷ Exchange rates as of March 2012.

B. Access to Business Registration Index (0-5)

Question	Index Score: 3	Comments
1. Are registration documentation and information on fees publicly available?	Yes	Yes. All registration documentation and information are publicly available.
2. Are registration documentation and information on fees available online?	No	Not all, but the requisite forms are online.
3. Is registration possible in every state/province?	No	Uganda Registration Services Bureau (URSB) located only in Kampala. There are no branches elsewhere.
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	Yes	The steps are the same. The difference will depend on the nature of the corporate entity (i.e. sole proprietorship, partnership, or company).
5. Are registration steps the same regardless of the nationality of ownership?	Yes	Yes, same steps, also note Companies Act Cap 110 also provides for registration of a foreign company in Uganda.

DEALING WITH LICENSES – UGANDA

A. Licenses and Permissions to Operate a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	<p>Obtain Environmental Impact Assessment</p> <p>Typically for larger-scale agriculture. Recently became mandatory when setting up a farm. Inspectors come from the district office.</p>	3	60,000	National Environment Management Authority (NEMA)
2	<p>Obtain Local Trading License</p> <p>Local governments have different policy documents with schedules of charges, and it is not always clear what you will be charged.</p>	5	130,000	Municipal/Town Council
3	<p>Obtain Local Produce License</p>	1	80,000	Ministry of Tourism, Trade and Industry
4	<p>Obtain Lorry License</p>	1		Municipal/Town Council
TOTAL	4 procedures	10 days	USD \$112	

B. Licenses and Permissions for Seed Provider

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	<p>Register as a Seed Company</p> <p>Registration as a seed company covers (1) production, (2) processing, and (3) marketing, including the import and export of seed. Registrants specify the types of activities in which they will be engaging. The registrant must first be registered with the Uganda Registration Services Bureau. Requirements include having qualified personnel (agronomists, breeders, etc.) and an appropriate warehouse and equipment. A committee within Ministry of Agriculture vets the application. NSCS is based in Kampala, without regional branches. Renewal costs UGX 100,000. The Agriculture Seeds and Plant Act (Cap 28) provides that all seed importers are required to apply to the NSCS for the release or listing of their varieties. A person who intends to undertake the business of importing or exporting seeds is required to apply to the NSCS for a license. The procedure for obtaining the above licenses is to be elaborated in regulations that are yet to be passed by the Parliament of Uganda. Recent seed law passed in 2011 will create new seed merchandising license for retail sale of seed. Current laws do not require separate licenses for seed agrodealers and retailers; stocking of seed is allowed under the general agrodealer license to stock fertilizer and agrochemicals. Licensing fees expected to increase substantially with the new law.</p>	30	573,000	National Seed Certification Service (NSCS)
2	<p>Inspection of Premises</p> <p>NSCS inspects a company’s premises as part of the process for registering as a seed company. Routine inspections of factory, stores and seed premises occur twice a year, once for each season.</p>	0	0	NSCS
3	<p>Register with Uganda Revenue Authority (URA) as Seed Importer</p>	1		Uganda Revenue Authority (URA)
4	<p>Obtain National Trading License</p>	1	300,000	Ministry of Trade
5	<p>Obtain Local Trading License</p> <p>Local governments have different policy documents with schedules of charges, and it is not always clear what you will be charged. Generally costs 100,000-200,000 UGX.</p>	5	150,000	Municipal/Town Council
TOTAL	5 procedures	37 days	USD \$423	

C. Licenses and Permissions for Fertilizer Provider

Same as below. In Uganda, fertilizer is regulated as an agrochemical.

D. Licenses and Permissions for Crop Protection Chemical Provider

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	<p>Obtain Suitability of Premises License</p> <p>License lasts 2 years. The Board is located in Entebbe, requiring multiple trips to Entebbe to drop off application and pick up license. Takes 3 months from application to inspection and an additional 3 months for Board approval. Board only meets once a quarter or sometimes twice a year. Board needs funding to meet.</p>	180	50,000	Agrochemicals Board
2	<p>Inspection for Suitability of Premises License</p> <p>Inspection of warehouse against checklist of criteria. Inspector writes reports and presents to Technical Committee, who review and forward to Agricultural Chemicals Board for approval. Long delays due to Board being based in Entebbe and don't go out to do inspections unless multiple premises to inspect. Can take up to a year.</p>	0	0	Agrochemicals Board
3	<p>Obtain Dealership License</p> <p>License lasts 3 years. Registrant must meet minimum academic qualifications, and informal agreement with Uganda National Agro-Input Dealers Association (UNADA) to take 5-day course on judicious and safe handling of chemicals and pesticides. License covers importing and wholesale and retail trade. Repackaging requires seeking authority in writing, though a license is not required. Renewal is UGX 150,000. Only 30% of agrodealers are actually licensed.</p>	0	150,000	Agrochemicals Board
4	<p>Inspection for Dealership License</p> <p>Annual Inspection.</p>	0	0	Agrochemicals Board

5	Payment for Suitability of Premises and Distribution Licenses Payment is a lengthy process involving multiple steps. 1) Go to Commissioner of Crop Protection (in Ministry of Ag) for permission to pay, 2) take permission to cashier at Ministry of Ag to get authority for bank to accept your money, 3) take money and authority from cashier to bank, 4) make payment, 5) take bank slip back to cashier after you've paid, 6) cashier must reconcile with bank to ascertain that you've really paid and money is in the account, 7) once have receipt from cashier, take to Commissioner to prove you have paid, and 8) receive license.	15	0	Commissioner of Crop Protection
6	Obtain Local License Costs UGX 100,000-200,000.	5	150,000	Municipal/Town Council
TOTAL	6 procedures	200 days	USD \$145	

EMPLOYING WORKERS – UGANDA

A. Hiring a Skilled Expatriate Worker

No.	Procedure	Time (days)	Cost (USD)	Agency
1	<p>Work Permit Processing</p> <p>A work permit is usually granted after submission of the following documents to the Department of Immigration, Ministry of Immigration: 1) Letter from employer, 2) Letter from applicant, 3) Contract of employment, 4) CV - attach academic qualifications, 5) Memorandum and articles of company, 6) 4 passport photos, 7) Certificate of good conduct from country of origin, 8) Bank statement of company, 9) Trading license (optional), 10) Income tax clearance (optional), 11) Standard forms to be filled in upon applying which can be provided for, 12) Security bond depends on country of origin e.g. French pay USD \$901 13. Work permit fees USD \$602 for employees. Relevant act is the Immigration Act, Cap 63.</p>	105	\$600	Immigration Department, Ministry of Internal Affairs
2	<p>Application for Entry Visa</p> <p>This is done once the work permit has been issued.</p>	22	\$50	Immigration Department, Ministry of Internal Affairs
3	<p>Obtain Special Pass</p> <p>A special pass can be availed to a foreigner for temporary employment prior to issuance of a work permit. Once the expatriate has lodged his application for a work permit, he can apply for a special pass in accordance with Regulation 10 of the Uganda Citizenship and Immigration Control Regulations 2004. This is an interim facility as he waits for the Uganda Immigration Board's decision on his application. This special pass is issued for duration of three months and is renewable.</p>	3	\$100	Immigration Department, Ministry of Internal Affairs
TOTAL	3 procedures	130 days	USD \$750	

B. Seasonal and Migrant Workers Index (0-4)

Question	Index Score: 4	Comments
<p>1. Do current regulations permit the employment of agricultural workers (domestic or foreign) on a seasonal basis?</p>	<p>Yes</p>	<p>Though not expressly provided in the Employment Act as a mode of employment, Section 86 of the Employment Act acknowledges seasonal workers existence by providing for the mode of computation of their period of continuous service.</p>
<p>2. Do current regulations permit the free movement of migrant farm & agri-processing workers (both domestic and foreign) within the country?</p>	<p>Yes</p>	<p>The concept is also not expressly provided for but Article 40(3) of the Constitution provides that every worker has the right to withdraw their labour according to the Law and Section 65(1)(b) permits an employee who has been employed for a particular task to terminate the contract once the task is concluded. It is important to note that the immigration facilities are pegged to a particular job position and migrating from one position automatically extinguishes to the facility. The expatriate has to apply for another work permit.</p>
<p>3. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country’s minimum wage (if applicable)?</p>	<p>Yes</p>	<p>The Employment Regulations No. 61 of 2011 distinguish between task work and piece work. Task work is defined to mean work that is based on a daily task and can be remunerated daily according to Regulation 41(1) whereas Regulation 40 provides that where a contract is entered into under which piece work is to be performed for an agreed remuneration, the employee shall be paid at the end of the month in proportion to the amount of work which he performed.</p>
<p>4. Do current regulations permit reasonable employer flexibility in the definition of: tasks to be performed, work location, and work schedules?</p>	<p>Yes</p>	<p>The law does not specifically prohibit flexibility of tasks and whatever is not expressly prohibited by law can be construed to be permitted. As to whether or not it is permitted in an employment relationship would be based on the contract of employment.</p>

REGISTERING PROPERTY – UGANDA

A. Time/Cost/Procedures for Registering Agricultural Land

No.	Procedure	Time (days)	Cost (UGX)	Agency
1	Request Title Search	1	0	Ministry of Lands, Housing, and Urban Development
2	Pay Search Fee at Bank Search fee is UGX 10,000, plus 2,000 bank transfer fee.	1	12,000	N/A
3	Conduct Title Search Carry out search in the land registry to confirm that the Seller is indicated as the registered proprietor and that there are no encumbrances.	2	0	Ministry of Lands, Housing, and Urban Development
4	Obtaining of Valuation from Chief Government Valuer for Purposes of Assessing Stamp Duty There are three government valuers who inspect all land transactions in Uganda. The valuer in theory would inspect the premises and issue an assessment of valuation; in practice inspections are rare and would take a minimum of one month to complete. Takes 10 working days on average.	10	No cost	Ministry of Lands, Housing, and Urban Development
5	Obtaining of Consent to Transfer from Commissioner Applicable Law: The Registration of Titles Act (Cap 230). UGX 250,000 is an estimated figure for obtaining consent to transfer title of land. This figure is dependent on the stamp duty paid but is usually in the range of 250,000-400,000.	1	250,000	Commissioner of Land Administration
6	Payment of Stamp Duty 1% of the value assessed by the Chief Government Valuer. Stamp duty is paid at a bank and payment clearance takes 2-3 days. Bank will notify Uganda Revenue Authority (URA) that payment has been received.	4	612,500	N/A
7	Assessment of Registration Charges Payment is made at the bank.	1	10,000	Lands Registrar

8	Document Embossment Embossment serves as proof of payment.	1	0	Ministry of Finance
9	Submit Documents to Register of Titles Submit all documents and evidence of payment of stamp duty, registration fee, and bank charges. Registrar will effect a transfer of the Title Deed into the name of the purchaser. The Title Deed will indicate an instrument number for the transfer and the time at which the transfer has been effected. Average 10 working days.	10	0	Register of Titles
TOTAL	9 procedures	31 days	USD \$366	

B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety¹⁸

No.	Procedure	Time (days)	Cost (USD)	Agency
1	Application for National Performance Trials Company would apply and give NSCS a sample of the seed in order to do National Performance Trials in the locations NSCS deems necessary.	1	0	National Seed Certification Service (NSCS)
2	National Performance Trials (NPT) The product must undergo two seasons of field tests in seven sites. For maize, the NPT can be completed in one year due to the two growing seasons per year. NPT costs UGX 375,000 per entry per site per season, paid to NARO. Although in practice NARO has not been charging NPT fees, private companies have not been registering new crop varieties either. New varieties are developed by researchers and by NARO, and then sell the seed or the rights to private companies.	365	\$2,100	National Agricultural Research Organisation (NARO)
3	Application for Distinctness, Uniformity and Stability (DUS) Test The seed company applies for DUS testing by NSCS following successful field tests during the NPT. DUS cannot be completed simultaneously with NPT, although it could be initiated during the second season of NPT.	1	0	NSCS

¹⁸ NARO develops new seed varieties on behalf of the private sector; currently, no seed companies develop new varieties.

4	DUS Test DUS testing is completed during two seasons, at two separate sites. NSCS may test the variety at three sites (highland/midland/lowland locations) depending on the plant material. DUS cost is UGX 375,000 per entry per site per season.	365	\$600	NSCS
5	Approval by National Variety Release Committee (NVRC) The NVRC sits twice a year and evaluates the candidate material. The NVRC is comprised of a number of stakeholders, including breeders, universities, farmers, the Ministry of Trade, and Ministry of Agriculture. The Committee will issue a report including a recommendation for release. A typical registration process will include harvesting in June, applying to the NVRC in July, and the Committee meeting and approval in October or November.	120	0	NVRC
TOTAL	5 procedures	852 days	USD \$2,700	

C. Access to Property Registration Index (0-6)

Question	Index Score: 2	Comments
1. Is real property registration possible in every state/province?	Yes	There are stipulated land registries in different districts because in Uganda we do not have provinces.
2. Can real property registration be accomplished via an automated, online process?	No	The Ministry of Lands is in the process of computerizing all land records.
3. Is real property registration information and documentation available online?	No	This is on account of the absence of computerized records.
4. Are real property registration steps and timeframes clear?	No	In the law books yes, in practice no because of lack of manpower at Lands Registration Office. The procedure may take longer than what is stipulated by law.
5. Are real property registration steps the same regardless of property size?	Yes	
6. Are real property registration steps the same regardless of the nationality of ownership?	No	Under the Constitution of Uganda and the Land Act (Cap 227), non-citizens cannot acquire mailo or freehold land. Non-citizens can only acquire leasehold property. The steps involved in sale of leasehold property are the same as the steps involved in sale of mailo or freehold property.

D. Strength of Property Rights Index (0-3)

Question	Index Score: 2	Comments
<p>1. Do owners or leaseholders have the right to sell, lease, bequeath, or otherwise transfer their rights in land regardless of gender, race, tribal affiliation, political affiliation, or geographical origin?</p>	<p>Yes</p>	<p>This would depend on the terms of the lease. If the lease agreement restricts transfer, sub-leasing, or selling without prior consent from the lessor, then the lessee can only transfer or sub-lease regardless of gender, race, tribal affiliation, political affiliation or geographical origin. The lessee has a right to bequeath the property regardless of gender, race, tribal affiliation, political affiliation or geographical origin.</p>
<p>2. Do owners or leaseholders have the right to produce on the land based on own preferences?</p>	<p>No</p>	<p>No because the Minister may, by statutory instrument, declare any area a segregated area and may, by that instrument, prohibit the planting and movement of any type of seed or plant within that area. Also, where the land is a wetland, then the owner may face restrictions from National Environment Management Authority (NEMA) for purposes of protecting the environment.</p>
<p>3. Do owners or leaseholders have the right to obtain long-term tenure rights in customary land that can be registered and recorded in a manner that protects such registered interests?</p>	<p>Yes</p>	

GETTING CREDIT – UGANDA

A. Strength of Legal Right Index (0-10)

Types of Collateral Allowed by Law	Index Score: 8	Comments
1. Farm equipment	YES	Chattels Transfer Act (Cap 70)
2. Crop in field	YES	Chattels Transfer Act (Cap 70)
3. Crop in warehouse	YES	Warehouse Act
4. Livestock	YES	Chattels Transfer Act (Cap 70)
5. Inventory	YES	Chattels Transfer Act (Cap 70)
6. Patented plant variety	NO	
7. Futures contract	NO	No applicable law
8. Accounts receivable	YES	Chattels Transfer Act (Cap 70)
9. Buy/sell agreements	YES	
10. Land and water rights	YES	Mortgage Act of 2009

PAYING TAXES – UGANDA

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Individual Tax	5	88	Graduated	Taxable Income
Pay As You Earn (PAYE)	12	132	Graduated	Employee Emoluments
Withholding Tax	N/A	N/A	6%	Wage/Salary
National Social Security Fund (NSSF)	12	48	10%	Total Wages
Local Service Tax	4	40	Max UGX 100,000	Gross salary net PAYE
VAT	12	96	18%	Value added to applicable products
Capital Gains Tax	1	N/A	0-30%	Area of land
Market Dues	8	N/A	UGX 2,000	Per Truck
TOTAL	54 payments per year	404 hours per year	Total tax rate (% of profit): 20.7%	

TRADING ACROSS BORDERS – UGANDA

A. Exporting a Staple Grain

Procedures to Export a Staple Grain	Time (days)	Cost (USD)
Licenses and Documents Preparation	4	\$44
Inland Transportation and Handling	10	\$3,300
Customs Clearance and Inspection		\$600
Port and Terminal Handling		\$375
TOTAL	14 days	\$4,319

Documents to Export a Staple Grain
Export Registration Certificate (optional)
Export Permit
Certificate of Origin or GSP Certificate
Phytosanitary Certificate
Invoice
Packing List
Customs Bill of Entry
Bill of Lading
Road Customs Transport Document
Terminal Handling Receipts
TOTAL: 9 documents

B. Exporting a Perishable Good – N/A

C. Importing Hybrid Seed – N/A

Zambia

STARTING A FARM - ZAMBIA

A. Time/Cost/Procedures for Start-up of a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	Name Search Five locations to register around the country. Sole Zambia Development Agency (ZDA) One Stop Shop in Lusaka.	1	10,000	Patent and Companies Registration Agency (PACRA)
2	Name Registration A sole proprietorship just registers its name, not as a company. Proposes three names.	5	75,000	Patent and Companies Registration Agency (PACRA)
3	Register for Tax ID Number	2	0	Zambia Revenue Authority (ZRA)
4	Register for Employee Pension Scheme¹⁹ Conflicting info on whether minimum of 15 employees to register with pension scheme, or whether all employers must register regardless of number of employees.	2	0	National Pension Scheme Authority (NAPSA)
TOTAL	4 procedures	10 days	USD \$16²⁰	

B. Access to Business Registration Index (0-5)

Question	Index Score: 4	Comments
1. Are registration documentation and information on fees publicly available?	Yes	The information on registration procedures and fees are in promotional materials which are distributed to members of the public.
2. Are registration documentation and information on fees available online?	Yes	All institutions operating under the One Stop Shop have websites where this information is available.

¹⁹ All yellow boxes signify incomplete or unconfirmed data.

²⁰ All exchange rates as of April 2012.

3. Is registration possible in every state/province?	No	Currently registration for business names and companies is done directly in Lusaka, Livingstone, Ndola and Chipata. Registration is done through agents in Solwezi and Kasama. Efforts are underway to make these services available more widely countrywide through establishment of additional One Stop Shop facilities.
4. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?	Yes	
5. Are registration steps the same regardless of the nationality of ownership?	Yes	

DEALING WITH LICENSES – ZAMBIA

A. Licenses and Permissions to Operate a 50-hectare Maize Farm

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	<p>National Health & Safety Inspection</p> <p>Annual renewal, ZEMA sends inspectors. In practice, enforcement may not happen and there are no repercussions for missing an inspection. Farm pays for inspection.</p>			Zambia Environmental Management Agency (ZEMA)
2	<p>Local Health & Safety Inspection</p>			Local Council
3	<p>Obtain Local Trading License</p> <p>Application form is K 5,500; retail trading license is K 599,980, plus personal levy of K 15,000 per worker (at 10 workers) for K 150,000.</p>	4	755,480	Lusaka City Council
4	<p>Apply for Storage of Agricultural Chemicals Permit</p> <p>ZEMA requires storage license for sellers of fertilizers and agro-chemicals and in theory applies to farms as well, though in practice this requirement does not appear to be consistently enforced for farms. ZEMA may send an inspector to the farm but enforcement is spotty year to year.</p>	14	900,000	ZEMA
5	<p>Inspection for Agricultural Chemicals Storage Permit</p> <p>For most applications, after you apply, will be told when inspectors will be sent, then told when your permit is ready.</p>			ZEMA
6	<p>Register for Rezoning as Agricultural Land</p> <p>Must wait for local council to meet (roughly once a quarter) to review land usage and other factors.</p>	60		Local Council, under review of Provincial Planning Authority
7	<p>Optional: Farm Capability Survey</p> <p>Take soil samples to Mount Makulu and carry out field soil surveys. This procedure is optional and it is unlikely a farm of this size would get surveyed.</p>	3	425,000	Ministry of Agriculture and Livestock - Land Husbandry

8	Optional: Farm Mapping Comprehensive Farm Layout Mapping. Demarcate the farm according to the capability of the soils, put up beacons. This process is optional and it is unlikely a farm of this size would get mapped.	3	425,000	
TOTAL ²¹	6 procedures	78 days	USD \$315	

B. Licenses and Permissions for Seed Provider

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	Importation License Plant Varieties & Seeds Act (1964).			Seed Control and Certification Institute (SCCI)
2	Retail Seed Seller License Every retail shop is licensed to prove they have adequate storage facilities and can look after seed in a reasonable manner.	1	10,000	SCCI
3	Wholesale Seed Seller License Paper application takes 20 minutes to complete but can only be done in Lusaka.	1	70,000	SCCI
4	Inspection for Registration as Seed Seller Inspection of physical premises and adequacy of storage facilities. Supposedly inspectors in every province, though appear limited in numbers.			SCCI
5	Local Trading License Application form is K5,500. Retail trading license is K599,980 and K1,499,980 for wholesaling, plus personal levy of K15,000 per worker (at 10 workers) for K150,000.	4	755,480	Local Council
6	Distribution License			SCCI
TOTAL	6 procedures	6 days	USD \$159	

²¹ Totals do not include time and cost for optional procedures.

C. Licenses and Permissions for Fertilizer Provider

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	Importation License Annual renewal. Zambia imports all fertilizer, no domestic manufacturing.	14	1,560,000	Zambia Environmental Management Agency (ZEMA)
2	Storage of Chemicals License For sale of fertilizer & agro-chemicals.	14	900,000	ZEMA
3	Inspection for Storage of Chemicals License Inspection of physical premises and adequacy of storage facilities. Supposedly inspectors in every province, though appear limited in numbers.			ZEMA
4	Local Trading License Application form is K5,500. Retail trading license is K599,980 and K1,499,980 for wholesaling, plus personal levy of K15,000 per worker (at 10 workers) for K150,000.	4	755,480	Local Council
TOTAL	4 procedures	32 days	USD \$612	

D. Licenses and Permissions for Crop Protection Chemical Provider

Same as above.

EMPLOYING WORKERS – ZAMBIA

- A. Hiring a Skilled Expatriate Worker – No data available**
- B. Seasonal and Migrant Workers Index (0-4) – No data available**

REGISTERING PROPERTY – ZAMBIA

A. Time/Cost/Procedures for Registering Agricultural Land

No.	Procedure	Time (days)	Cost (ZMK)	Agency
1	<p>Investigate Title/Obtain Non-Encumbrance Certificate</p> <p>The buyer pays K25,000 at the cashier desk and then proceeds to get a printout from the Land Register which is an official document certifying the status of the property vis a vis ownership and encumbrances. Issues that arise include access (only two functional registries in country - Lusaka or Ndola), not all encumbrances are in the electronic system (i.e. agricultural charges) so one needs to examine the physical files, and not all data in the Land Register is reliable.</p>	2 ²²	525,000 ²³	Lands and Deeds Department, Ministry of Lands, Natural Resources and Environmental Protection
2	<p>Seller Obtains State Consent Certificate</p> <p>The seller (agent) applies for state consent from the landlord (Commissioner of Lands, who acts on behalf of the President of the Republic of Zambia) to transfer interests in the subject property to the intended buyer. The identity of the proposed buyer is revealed as ascertained in line with the provisions of the Lands Act CAP 184, SEC 5 of the Laws of Zambia as to whether he/she qualifies to hold land in the country. The proposed consideration (purchase price) is also stated in the application as well as the level of development on the subject property.</p>	3	100,000	Legal Unit, Lands Department, Ministry of Lands, Natural Resources and Environmental Protection
3	<p>Pay Transfer Tax and Get Tax Certificate</p> <p>Expedited in Lusaka because ZRA agent in Ministry of Lands office.</p>	5	5% of consideration	Zambia Revenue Authority (ZRA)
4	<p>Submit all Documents to Registrar to Obtain New Title</p> <p>Submit Deeds of Assignment signed by Seller, ZRA certificate, copy of consent, and original title to Chief Registrar, who makes changes in system and physical files and types new title in new owner's name. Issue is that timing is unpredictable. Can take from 1 week to 2 months, due to lack of capacity in Registrar's office.</p>	31 ²⁴	1% of consideration up to max ZMK 2M	Registrar's Office at Ministry of Lands

²² Includes one day of travel time from Southern Province to Lusaka, which requires spending the night as customer service center only open in morning.

²³ Case study farm would typically hire an agent, adding US\$100/ZMK 500,000 to total cost.

²⁴ Takes one day for agent to travel from Southern Province to Lusaka.

TOTAL	4 procedures	41 days	USD \$3,180²⁵	
--------------	---------------------	----------------	---------------------------------	--

B. Time/Cost/Procedures for Registering a Proprietary Staple Grain Variety

No.	Procedure	Time (days)	Cost (USD)	Agency
1	Lodge Application Seed companies (such as Pannar) do 8 years of testing before starting the application process.	1	\$25	Seed Control & Certification Institute (SCCI)
2	Perform Field Tests US\$125 per site per year for 6 SCCI sites, over two years. US\$125 to keep registration active each year. Test for DUS (distinctiveness, uniformity and stability) and VCU (value for cultivation and use on the market). Includes review by Seed Committee and release meeting with all relevant parties.	730	\$1,750	SCCI
TOTAL	2 procedures²⁶	731 days	USD \$1,775	

C. Access to Property Registration Index (0-6)

Question	Index Score: 2	Comments
1. Is real property registration possible in every state/province?	No	Real property registration under the Lands and Deeds Registry is only done in Lusaka and Ndola.
2. Can real property registration be accomplished via an automated, online process?	No	All the institutions involved in property registration have not implemented fully automated systems that can support online registration.
3. Is real property registration information and documentation available online?	No	Some information is online, but documentation does not appear to be.
4. Are real property registration steps and timeframes clear?	No	Institutions have not defined timeframes. Some do follow informal service charters.

²⁵ Assumes consideration of 50*GNI per capita.

²⁶ Does not include Seed Committee approval as a separate procedure.

5. Are real property registration steps the same regardless of property size?	Yes	
6. Are real property registration steps the same regardless of the nationality of ownership?	Yes	

D. Strength of Property Rights Index (0-3)

Question	Index Score: 3	Comments
1. Do owners or leaseholders have the right to sell, lease, bequeath, or otherwise transfer their rights in land regardless of gender, race, tribal affiliation, political affiliation, or geographical origin?	Yes	
2. Do owners or leaseholders have the right to produce on the land based on own preferences?	Yes	But subject to relevant land use laws, environmental provisions and planning.
3. Do owners or leaseholders have the right to obtain long-term tenure rights in customary land that can be registered and recorded in a manner that protects such registered interests?	Yes	The Lands Act CAP 184 of the laws of Zambia provides for conversion of the generally unsecured customary land into statutory land.

GETTING CREDIT – ZAMBIA

A. Strength of Legal Right Index (0-10)

Types of Collateral Allowed by Law	Index Score: 9	Comments
1. Farm equipment	Yes	Has to be registered. Considered weak collateral.
2. Crop in field	Yes	Covered under agricultural charge.
3. Crop in warehouse	No	Warehouse receipts are not illegal, but provisions in the law to create the framework for warehouse receipts have not yet been put in place and banks say it isn't possible yet. There's also a lack of warehousing facilities.
4. Livestock	Yes	Covered under agricultural charge.
5. Inventory	Yes	Possible in theory but not done in practice.
6. Patented plant variety	Yes	Possible in theory but not done in practice.
7. Futures contract	Yes	Possible in theory but not done in practice, it can't be registered.
8. Accounts receivable	Yes	
9. Buy/sell agreements	Yes	
10. Land and water rights	Yes	Yes, so long as the land is titled. Customary land and water rights cannot be used to securitize a loan.

PAYING TAXES – ZAMBIA

Tax or Mandatory Contribution	Payments (number)	Time (hours)	Statutory Tax Rate	Tax Basis
Business Income tax	5	155	15.0%	Taxable Income
Value Added Tax	12	76	16.0%	Cost price/total sales
Social Security/NAPSA	12	209	5.0%	Wage/Salary
Personal Levy	2	Included above	1.0%	Earnings/Wages/Salary
Worker's Compensation	1	Included above	4.2%	Wage/Salary
Pay As You Earn (PAYE)	12	Included above	Graduated	Wage/Salary
Ground Rent	1	17	ZMK 50,000	Area of land
Water Fees/Taxes	1	24	(ZMK1 per cubic meter) (ZMK2 x number of days x volume + ZMK5,000)	(ZMK1 per cubic meter) (ZMK2 x number of days x volume + ZMK5,000)
Carbon Tax	4	24	ZMK 200,000	Charged in accordance with engine capacity
Certificate of Fitness	4	Included above	ZMK 28,000	K28,000 per vehicle
Market Levy	8	40	ZMK 50,000	Per Truck
TOTAL	62 payments per year	545 hours per year	Total tax rate (% of profit): 10.1%	

TRADING ACROSS BORDERS – ZAMBIA

A. Exporting a Staple Grain

Procedures to Export a Staple Grain ²⁷	Time (days)	Cost (USD)
Licenses and Documents Preparation	5.5	\$27
Inland Transportation and Handling	8	\$100
Customs Clearance and Inspection	2	\$120
Port and Terminal Handling	20	\$470
TOTAL	35.5 days	USD \$717

Documents to Export a Staple Grain
Export Permit
Phytosanitary Certificate
Certificate of Origin
Invoice
Bill of Lading
Commercial Invoice
Customs Export Declaration
TOTAL: 7 documents

²⁷ Low confidence in accuracy of data based on limited number of respondents providing estimates for different ports.

B. Exporting a Perishable Good – N/A

C. Importing Hybrid Seed

Procedures to Import Hybrid Seed	Time (days)	Cost (USD)
Licenses and Documents Preparation	4	\$30
Port and Terminal Handling		\$200
Customs Clearance and Inspection	1	\$570
Inland Transportation and Handling	6	\$100
TOTAL	11 days	USD \$900

Documents to Import Hybrid Seed
Import Permit
Phytosanitary Certificate
Certificate of Origin
Packing List
Bill of Lading
Manifest
TOTAL: 6 documents

Annex 2: Final Surveys by Topic

Table of Contents

Indicators and Contributors by Topic	2
Obtaining Inputs Survey – Seed	4
Obtaining Inputs Survey – Fertilizer and Crop Protection Chemicals	14
Starting and Operating a Farm Survey.....	22
Employing Agricultural Workers Survey	29
Accessing Rural Land Survey.....	35
Accessing Finance Survey	42
Complying with Taxes.....	50
Trading Agricultural Goods Survey.....	67
Resolving Contract Disputes Survey	76

Indicators and Contributors by Topic

Topic	Indicators	Contributors
Obtaining Inputs	Procedures, time, and cost for (1) operational licenses and (2) new variety/product registration for seed, fertilizer, and crop protection chemical providers.	<ul style="list-style-type: none"> - Seed/Fertilizer/Crop Protection Chemical Provider - Ministry Official – Plant Inspectorate, Ministry of Agriculture (License Enforcement) - Agro-Input Dealers Association - Seed/Fertilizer/Crop Protection Association - Chamber of Commerce
Starting and Operating a Farm	Procedures, time, and cost for business registration and licensing (including re-zoning for agriculture, environmental impact assessment, agro-input storage, worker safety/health, trading licenses, etc.) for a 50-hectare staple grain farm.	<ul style="list-style-type: none"> - Agribusiness – Farm - Agribusiness Association - Farmers’ Union - Companies Registrar - Ministry of Agriculture Official - Chamber of Commerce - Investment Authority - Attorney – Agribusiness
Employing Agricultural Workers	(1) Procedures, time, and cost to employ a highly-skilled expatriate engineer, and (2) index assessing the legal and regulatory basis for seasonal and migrant labor.	<ul style="list-style-type: none"> - Labor Lawyer - Ministry Official – Labor - Employer’s Federation - Workers Association - Labor Economist - Human Resources Firm
Accessing Rural Land	(1) Procedures, time, and cost for transferring title of a 50-hectare staple grain farm, (2) index on access to and usage of customary land, and (3) index on access to property registration information.	<ul style="list-style-type: none"> - Land Attorney - Ministry Official – Land - Academic Land Rights Experts
Accessing Finance	(1) Index on types of agriculture-specific collateral allowed by legal and regulatory framework, (2) index on access to and functioning of movables collateral registries, and (3) index on legal framework for warehouse receipts systems.	<ul style="list-style-type: none"> - Banker/Loans Officer - Finance Attorney - Non-Bank Financial Institution - Farmers’ Union - Development Bank - Warehouse Receipts System/Commodities Exchange Regulator/Operator
Complying With Taxes	(1) Applicable taxes, (2) number of payments per year, (3) time required for tax compliance, (4) deductions and exemptions, and (5) total effective tax rate for a 50-hectare staple grain farm.	<ul style="list-style-type: none"> - Accountant – Agriculture - Tax Lawyer - Government Official - Revenue

<p>Trading Agricultural Goods</p>	<p>Documentation, time, and cost to (1) export a widely-traded agricultural commodity and (2) to import hybrid seed.</p>	<ul style="list-style-type: none"> - <i>International Freight Forwarder</i> - <i>Customs Broker</i> - <i>Exporters/Trade Association</i> - <i>Import/Export Agribusiness</i> - <i>Customs/Port Official</i> - <i>Government Official – Revenue</i> - <i>Seed Provider</i> - <i>Seed Association</i>
<p>Resolving Contract Disputes</p>	<p>(1) Procedures, time, and cost to resolve a claim of side-selling by farmers’ cooperative, and (2) index on access to alternative dispute resolution (ADR) mechanisms, small claims court, or expedited court procedures.</p>	<ul style="list-style-type: none"> - <i>Contracts Lawyer</i> - <i>Litigation Lawyer</i> - <i>Arbitrators</i> - <i>Mediators</i> - <i>Ministry Official – Judiciary, Attorney General’s Office</i>
<p>Multiple</p>		<ul style="list-style-type: none"> - <i>NGO</i> - <i>Research Organization</i> - <i>Industrial Group/Large Agribusiness/ Food Processor</i> - <i>Government – Ministry of Commerce</i> - <i>Government – Regulatory Strategy</i> - <i>Farmers’ Cooperative</i>



Obtaining Inputs Survey – Seed – [COUNTRY]

Dear Contributor,

Thank you for participating in the Agribusiness Regulation and Institutions (AGRI) Index pilot project. Your input and expertise in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) project.

The AGRI Index is a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulations that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Obtaining Inputs” indicator is one of 8 indicators of the AGRI Index. The following survey evaluates the official procedures, time and cost required to obtain the licenses necessary to fully operate as a medium-sized input supplier, to register new products, and to import hybrid seed. The intent of gathering this information is to identify areas where regulatory and administrative procedures can be improved and streamlined, based on real-world data provided by experts such as yourself.

For the AGRI Index survey, we ask that you please:

- Carefully review the assumptions of the case study before completing the survey
- Respond to the survey questions based on your experiences working with agribusinesses
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by [DATE] to ichien@fintrac.com, nrindler@fintrac.com, or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Nate Kline, Chief of Party
USAID-Enabling Agricultural Trade (EAT) project

Primary Contributor Information

Please provide the following information for the primary contributor completing this survey. We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.

Name	Title (Mr., Mrs., Ms., etc.):	[]
	First Name:	[]
	Last Name:	[]
	Position (e.g. manager, associate, partner):	[]
	Profession (e.g. lawyer, judge, association member):	[]
Contact Details	Company name:	[]
	E-mail address:	[]
	Phone:	[]
	Fax:	[]
	Website:	[]
Company Address	Street:	[]
	City:	[]
	P.O. Box:	[]
	State/Province:	[]
	Zip/Postal Code:	[]
	Country:	[]

Additional Contributors

Please provide the following information for any additional contributors who assisted in completing this survey.

Name	Occupation	Email	Phone	Address (if different from above)
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]

Case Study Assumptions

You are completing the procedures necessary to operate as the input provider described below. Please always refer to the case study when describing a procedure.

Seed Provider	<ul style="list-style-type: none"> Engages in the import, storage, wholesale and retail sale of hybrid seed of the most widely traded staple grain in the country. <u>Does not engage in seed growing and multiplication.</u> Registers a new proprietary staple grain variety of the most widely traded staple grain in the country. The variety has not been registered in another country. Operates in [COMMERCIAL CAPITAL OF THE COUNTRY]. Domestic, non state-owned enterprise. 	
Import Product – Hybrid Seed	<ul style="list-style-type: none"> Hybrid seeds imported in a 40-ft ocean container, packed into 20-kg sacks, 400 such sacks (on pallets of 20 sacks each) per container, and valued at US\$20,000. The shipment is imported from [COUNTRY]'s largest overseas trading partner via ocean transportation through the main port. The port may be located in another city or country. 	
	Most commonly used seaport by traders in [COMMERCIAL CAPITAL OF THE COUNTRY]:	[]

Definitions

Procedure: Any interaction of the input provider’s owner, manager or employees with external parties, including any relevant government agencies, lawyers, auditors, notaries, public and private inspectors and technical experts. Interactions among the owner, manager or employees of the input provider are not counted as procedures. All procedures that are legally or in practice required for the input provider to operate within its respective normal business functions are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request or the start of a required activity, and ends once the input provider has received a final document or completed the required activity. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: Only include **official fees and taxes**. Bribes are excluded. If possible, please indicate the relevant fee schedule or calculation formula – for example, as a percentage of the company’s capital. Professional fees (notaries, lawyers or accountants) are only included if the input provider is required to use such services by law.

Agency: Indicate name and level of agency (Municipal/City, Regional/State, National, or Private Professional).

A. Licenses and Permissions for Seed Providers

Please describe every procedure required for the seed provider described in the case study to obtain all necessary licenses and permissions to be fully operational and appropriately registered. For example, this may include **licenses to import, distribute, store, sell, and dispose of an input, environmental impact assessments, local trading licenses, and health and safety licenses**. This also includes any applicable inspections. Where inspections are required as a separate procedure, please list separately and note any waiting times for inspectors.

Please include references to applicable laws and regulations (including fee schedules), information on renewal periods for licenses, and any other necessary explanatory details or additional assumptions required. Add boxes for additional procedures as needed.

1. Procedures to Obtain Licenses/Permissions to Import & Trade

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

2. Procedures to Obtain Licenses/Permissions to Distribute & Sell (national and local)

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

3. Procedures to Obtain Licenses/Permissions to Store & Dispose of Product

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

4. Procedures to Obtain Other Licenses/Permissions

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

B. Registering a Proprietary Staple Grain Variety

Please describe the full sequence of procedures necessary for the company described in the case study to properly register the new proprietary staple grain variety. For example, these may include application, verification of seed source, field inspection, seed sampling and testing, and granting of certificate. Please include references to applicable laws and regulations and any necessary explanatory details or additional assumptions required. Add boxes for additional procedures as needed.

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 4 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Please respond to the following questions on plant variety registration and protection. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	[] YES [] NO	[]
a. If YES, with which country(s) and what is the facilitated process?		[]
2. Are plant breeders afforded adequate protections for new proprietary plant varieties?	[] YES [] NO	[]

C. Import of Hybrid Seed

Please provide details on the procedures, time, cost, and documentation for the import of hybrid seed as described in the case study. If significant delays are typically experienced, please note the cause of such delays in the “Comments” sections – for example, import shipments are sent to another location for testing for customs clearance, lack of trained inspectors at port, or roads from port are in disrepair.

1. Seed Policy and Market Structure

Question	Response	Comments
1. Does the public sector import seed, either directly by government agencies or parastatals, or indirectly through procurement contracts with private firms?	[] YES [] NO	[]
a. If YES, are private firms also allowed to import seed without undue government restrictions?	[] YES [] NO	[]
2. Is there a monopoly or duopoly in seed imports? (i.e. one or two private or public importers control 75% or greater market share)	[] YES [] NO	[]
3. Are import licenses required for companies to import hybrid seed, and are they cumbersome or pose a barrier to trade?	[] YES [] NO	[]
4. Are seed imports subject to an import duty? If YES, please list the amount of the duty or tax in the comments box.	[] YES [] NO	[]

2. License and Document Preparation

Please include all licenses, permits and documents required per shipment, including documents generated by the importer, shipper, or the exporter in the country of origin. Include documents required for trading and for clearance by government ministries, customs authorities, port and container terminal authorities, and health and technical control agencies. **List each necessary document separately**, such as phytosanitary certificate, certificate of origin, certificate of conformity, packing list, road manifesto, commercial invoice, import permit or customs import declaration, inspection results, terminal handling receipts, or bill of lading, among others.

Import Documents/Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (US\$) <i>Doc. fees</i>
<i>EXAMPLE: Import permit</i>	<i>Chamber of Commerce</i>	<i>Customs official</i>	<i>2</i>	<i>10</i>
1.				
2.				
3.				
4.				
5.				

6.				
7.				
8.				
Total time and cost for document preparation			[] days	[] USD
• Which documents can be obtained simultaneously?				
Comments: []				

3. Port and terminal handling (at the port indicated in the case study)

Import Time	
1. Vessel waiting time outside port before entering seaport	
2. Vessel berthing and unloading of vessel at seaport	
3. Port and terminal handling (e.g. container movement and dwell time, warehousing, etc.)	
4. TOTAL time for all of the above	
5. Which activities above are carried out simultaneously?	
Import Cost	
6. TOTAL port costs, including terminal handling charges	
Comments: []	

4. Customs clearance and inspection

Please describe the typical customs clearance procedures, including any relevant cargo inspections. For any applicable inspections list the **total average time in practice**, including wait time for inspectors and payment time. Please elaborate on customs procedures in the Comments box.

Import Time	
1. Queue/wait time at customs	
2. Quality/standards inspections	
3. Customs tax/duty valuation inspection	
4. Health & safety inspection	
5. Security inspections (when carried out) and pre-shipment inspection	
6. Other, please specify:	
7. Average TOTAL time for customs clearance (from document submission to cargo release)	
8. Minimum and maximum TOTAL time for customs clearance (from document submission to cargo release)	
9. Which activities above are carried out simultaneously?	
Comments: []	
Import Cost	
10. Administrative charges for customs clearance	
11. Customs brokers charges	
12. Inspection fees	
13. Other, please specify:	
14. TOTAL cost for all the above	

15. Are informal facilitation payments (e.g. bribes) common for clearing import goods?	
Comments: []	

5. Inland transportation and handling

Import Time	
1. Time to arrange inland transportation and load cargo onto truck	
2. Inland transportation from port to warehouse in [COMMERCIAL CAPITAL OF THE COUNTRY]	
3. For landlocked countries, specify waiting time in queue at inland border post (average, minimum, maximum time)	
4. For landlocked countries, please specify time for customs clearance and other inspections at the inland border post (average, minimum, maximum time)	
5. TOTAL time for all the above	
Import Cost	
6. For landlocked countries, please specify customs and other fees (excluding tariffs and bribes) at inland border post	
7. TOTAL inland transportation and handling (<i>loading and unloading</i>) costs, including fuel and labor, freight forwarder fees, and customs fees for landlocked countries, as applicable	
Comments: []	

Referrals

Please help us gather additional data for this pilot by referring us to other experts in the private and public sector that are well-suited for completing the “Obtaining Inputs” survey for the agricultural sector.

	First Name	Last Name	Company	Position	Phone	Email
Agro-Input Dealer Associations	[]	[]	[]	[]	[]	[]
Agribusinesses/ Input Providers	[]	[]	[]	[]	[]	[]
Lawyers	[]	[]	[]	[]	[]	[]
Chambers of commerce	[]	[]	[]	[]	[]	[]
Licensing officials	[]	[]	[]	[]	[]	[]
Others: []	[]	[]	[]	[]	[]	[]

Thank you very much for completing the survey!

Your participation in the AGRI Index pilot to gather important information on the regulatory environment for agribusinesses is greatly appreciated.



Obtaining Inputs Survey – Fertilizer and Crop Protection Chemicals – [COUNTRY]

Dear Contributor,

Thank you for participating in the Agribusiness Regulations and Institutions (AGRI) Index pilot project. Your input and expertise in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) project.

The AGRI Index is a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulations that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Obtaining Inputs” indicator is one of 8 indicators of the AGRI Index. The following survey evaluates the official procedures, time and cost required to obtain the licenses necessary to fully operate as a medium-sized input supplier and to register new products. The intent of gathering this information is to identify areas where regulatory and administrative procedures can be improved and streamlined, based on real-world data provided by experts such as yourself.

For the AGRI Index survey, we ask that you please:

- Carefully review the assumptions of the case study before completing the survey
- Respond to the survey questions based on your experiences working with agribusinesses
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by [DATE] to ichien@fintrac.com, nrindler@fintrac.com, or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Nate Kline, Chief of Party
USAID-Enabling Agricultural Trade (EAT) project

Primary Contributor Information

Please provide the following information for the primary contributor completing this survey. We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.

Name	Title (Mr., Mrs., Ms., etc.):	[]
	First Name:	[]
	Last Name:	[]
	Position (e.g. manager, associate, partner):	[]
	Profession (e.g. lawyer, judge, association member):	[]
Contact Details	Company name:	[]
	E-mail address:	[]
	Phone:	[]
	Fax:	[]
	Website:	[]
Company Address	Street:	[]
	City:	[]
	P.O. Box:	[]
	State/Province:	[]
	Zip/Postal Code:	[]
	Country:	[]

Additional Contributors

Please provide the following information for any additional contributors who assisted in completing this survey.

Name	Occupation	Email	Phone	Address (if different from above)
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]

Case Study Assumptions

You are completing the procedures necessary to operate the input provider(s) described below. Please always refer to the case studies when describing a procedure.

Please select which input provider(s) you are responding for:

Fertilizer	<input type="checkbox"/>
Crop Protection Chemicals	<input type="checkbox"/>

Fertilizer Provider	<ul style="list-style-type: none"> Engages in the import, storage, wholesale and retail sale of chemical fertilizer for plants. <u>Does not manufacture or repackage fertilizer.</u> Registers a new proprietary fertilizer product. The product has not been registered in another country. Operates in [COMMERCIAL CAPITAL OF COUNTRY]. Domestic, non-state-owned enterprise.
Crop Protection Chemical Provider	<ul style="list-style-type: none"> Engages in the import, storage, wholesale and retail sale of crop protection chemicals. <u>Does not manufacture or repackage crop protection chemical products.</u> Registers a new proprietary crop protection chemical. The product has not been registered in another country. Operates in [COMMERCIAL CAPITAL OF COUNTRY]. Domestic, non-state-owned enterprise.

Definitions

Procedure: Any interaction of the input provider’s owner, manager or employees with external parties, including any relevant government agencies, lawyers, auditors, notaries, public and private inspectors and technical experts. Interactions among the owner, manager or employees of the input providers are not counted as procedures. All procedures that are legally or in practice required for the input provider to operate within their respective normal business functions are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request or the start of a required activity, and ends once the input provider has received a final document or completed the required activity. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: Only include **official fees and taxes**. Bribes are excluded. If possible, please indicate the relevant fee schedule or calculation formula – for example, as a percentage of the company’s capital. Professional fees (notaries, lawyers or accountants) are only included if the input provider is required to use such services by law.

Agency: Indicate name and level of agency (Municipal/City, Regional/State, National, or Private Professional).

A. Licenses and Permissions for Input Providers

Please describe every procedure required for the input provider(s) described in the case study to obtain all necessary licenses and permissions to be fully operational and appropriately registered. For example, this may include **licenses to import, distribute, store, sell, and dispose of an input, environmental impact assessments, local trading licenses, and health and safety licenses**. This also includes any applicable inspections. Where inspections are required as a separate procedure, please list separately and note any waiting times for inspectors.

Please include references to applicable laws and regulations (including fee schedules), information on renewal periods for licenses, and any other necessary explanatory details or additional assumptions required. Add boxes for additional procedures as needed.

1. Procedures to Obtain Licenses/Permissions to Import

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

2. Procedures to Obtain Licenses/Permissions to Distribute & Sell (national and local)

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

3. Procedures to Obtain Licenses/Permissions to Store & Dispose of Product

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

4. Procedures to Obtain Other Licenses/Permissions

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

B. Registering a Proprietary Product

Please describe the full sequence of procedures necessary for the company described in the case study to properly register a new chemical fertilizer or crop protection agrochemical product for the firm described in the case study. For example, these may include application, verification of chemical composition, field tests or inspection, evaluation for release, and granting of certificate. Please include references to applicable laws and regulations and any necessary explanatory details or additional assumptions required. Add additional procedure boxes as needed.

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 4 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Please respond to the following question on product registration. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Do current regulations allow for a faster or facilitated registration process for products that have already been registered or field-tested in another country?	[] YES [] NO	[]
a. If YES, with which country(s)? Please describe the process.	[]	[]
2. Are firms afforded adequate intellectual property protections for new products?	[] YES [] NO	[]

Referrals

Please help us gather additional data for this pilot by referring us to other experts in the private and public sector who are well-suited for completing the “Obtaining Inputs” survey for the agricultural sector.

	First Name	Last Name	Company	Position	Phone	Email
Agro-Input Dealer Associations	[]	[]	[]	[]	[]	[]
Agribusinesses/ Input Providers	[]	[]	[]	[]	[]	[]
Lawyers	[]	[]	[]	[]	[]	[]
Chambers of commerce	[]	[]	[]	[]	[]	[]
Licensing officials	[]	[]	[]	[]	[]	[]
Others: []	[]	[]	[]	[]	[]	[]

Thank you very much for completing the survey!

Your participation in the AGRI Index pilot to gather important information on the regulatory environment for agribusinesses is greatly appreciated.



Starting and Operating a Farm Survey – [COUNTRY]

Dear Contributor,

Thank you for participating in the Agribusiness Regulation & Institutions (AGRI) Index pilot project. Your input and expertise in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) project.

The goal of the AGRI Index is to develop a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The AGRI Index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulations that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Starting and Operating a Farm” indicator is one of 8 indicators of the AGRI Index. The following survey evaluates the official procedures, time and cost required to register and obtain the licenses necessary to start a medium-sized farm. The intent of gathering this information is to identify areas where regulatory and administrative procedures can be improved and streamlined, based on real-world data provided by experts such as yourself.

For the AGRI Index survey, we ask that you please:

- Carefully review the assumptions of the case study before completing the survey
- Respond to the survey questions based on your experiences working with agribusinesses
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by [DATE] to jchien@fintrac.com, nrindler@fintrac.com or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Nate Kline, Chief of Party
USAID-Enabling Agricultural Trade (EAT) project

Primary Contributor Information

Please provide the following information for the primary contributor completing this survey. We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.

Name	Title (Mr., Mrs., Ms., etc.):	[]
	First Name:	[]
	Last Name:	[]
	Position (e.g. manager, associate, partner):	[]
	Profession (e.g. lawyer, judge, association member):	[]
Contact Details	Company name:	[]
	E-mail address:	[]
	Phone:	[]
	Fax:	[]
	Website:	[]
Company Address	Street:	[]
	City:	[]
	P.O. Box:	[]
	State/Province:	[]
	Zip/Postal Code:	[]
	Country:	[]

Additional Contributors

Please provide the following information for any additional contributors who assisted in completing this survey.

Name	Occupation	Email	Phone	Address (if different from above)
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]

Case Study Assumptions

You are setting up the following farm described below. Please always refer to the case study when describing a procedure.

<p>The Farm</p>	<ul style="list-style-type: none"> • 50 hectare farm located in a peri-rural area (i.e. a rural area within 100km of and with relatively easy access to [MAIN COMMERCIAL CENTER] in [PROVINCE], the main province producing the most widely traded staple grain in the country. • Produces the most widely traded staple grain in the country, with an annual turnover of [650*GDP per capita]. • Sells all crop either at the farm gate or at the local market. • Owner holds a 50-year lease on the land, as well as all farm equipment and out-buildings needed to support the operation, including storage for agricultural chemicals. • Land has not been zoned for agriculture.
<p>Ownership and Employees</p>	<ul style="list-style-type: none"> • Sole proprietorship (or equivalent). Owned by a single individual, the owner of the farm. • Employs 1 local manager who oversees 10 full-time laborers. The work force grows to 25 laborers during planting and harvesting seasons.

Definitions

Procedure: Any interaction of the Farm’s owner, manager or employees with external parties, including government agencies, lawyers, auditors, notaries, the land registry, the cadastre, public and private inspectors and technical experts. Interactions among the owner, manager or employees of the Farm are not counted as procedures. All procedures that are legally or in practice required for the Farm to operate within its normal business functions are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request or the start of a required activity, and ends once the Farm has received a final document or completed the required activity. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Please also include any time required to travel back and forth from [MAIN COMMERCIAL CENTER] to the appropriate administrative office, including if multiple trips are required. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: Only include **official fees and taxes**. Bribes are excluded. If possible, please indicate the relevant fee schedule or calculation formula – for example, as a percentage of the Farm’s capital. Professional fees (notaries, lawyers or accountants) are only included if the Farm is required to use such services by law.

Agency: Indicate name and level of agency (Municipal/City, Regional/State, National, or Private Professional).

A. The Start-Up Process and Operations

Please describe every procedure required for the farm described in the case study to obtain the necessary licenses and permissions to be fully operational, such as completing any required notifications, verifications or inscriptions for the farm and employees with relevant authorities.

Please include references to applicable laws and regulations (including fee schedules) and any necessary explanatory details or additional assumptions required, including where delays typically arise and the cause of such delays (ex. travelling to administrative offices, lack of staff in administrative offices). Add boxes for additional procedures as needed.

1. Procedures for Company Registration (ex. name search and registration, obtaining tax identification number, registering employees for national pension plan)

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

2. Procedures to Obtain Licenses and Permissions for Agricultural Use (ex. change of land use for agricultural zoning, surveying, environmental impact assessments)

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

3. Procedures to Obtain Licenses & Permissions to Operate Farm and Engage in Local Trading (*ex. licenses and inspections for storage of chemicals, workplace registration certificates, health and safety inspections*)

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

4. Procedures to Obtain Other Licenses & Permissions

Procedure 1 [Name of Procedure]	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 2 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

Procedure 3 []	
Time [] days	Cost []
Agency []	Agency Level []
Details []	

B. Access to Business Registration Index

Please respond to the following survey questions on access to business registration. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
<p>a. Are registration documentation and information on fees publicly available?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
<p>b. Are registration documentation and information on fees available online?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
<p>c. Is registration possible in every state/province?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
<p>d. Are registration steps the same regardless of business size (measured by size of workforce or revenue)?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
<p>e. Are registration steps the same regardless of the nationality of ownership?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

Referrals

Please help us gather additional data for this pilot by referring us to other experts in the private and public sector that are well-suited for completing the “Starting and Operating a Farm” survey for the agricultural sector.

	First Name	Last Name	Company	Position	Phone	Email
Farmers/Agribusiness associations	[]	[]	[]	[]	[]	[]
Agribusinesses	[]	[]	[]	[]	[]	[]
Chambers of commerce	[]	[]	[]	[]	[]	[]
Lawyers	[]	[]	[]	[]	[]	[]
Licensing officials	[]	[]	[]	[]	[]	[]
Companies Registrar	[]	[]	[]	[]	[]	[]
Investment Authority	[]	[]	[]	[]	[]	[]
Others: []	[]	[]	[]	[]	[]	[]

Thank you very much for completing the survey!

Your participation in the AGRI Index pilot to gather important information on the regulatory environment for agribusinesses is greatly appreciated.



Employing Agricultural Workers Survey – [COUNTRY]

Dear Contributor,

Thank you for participating in the Agribusiness Regulation and Institutions (AGRI) Index pilot project. Your input and expertise in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) project.

The goal of the AGRI Index is to develop a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The AGRI Index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulatory and administrative burdens that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Employing Agricultural Workers” indicator is one of 8 indicators of the AGRI Index. The following survey evaluates the ease of hiring a skilled expatriate worker as well as the legal framework for seasonal and migrant labor within the country. The intent of gathering this information is to identify areas where regulatory and administrative procedures can be improved and streamlined, based on real-world data provided by experts such as yourself.

For the AGRI Index survey, we ask that you please:

- Carefully review the assumptions of the case study before completing the survey
- Respond to the survey questions based on your experiences working with agribusinesses
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by [DATE] to jchien@fintrac.com, nrindler@fintrac.com, or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Nate Kline, Chief of Party
USAID-Enabling Agricultural Trade (EAT) project

Primary Contributor Information

Please provide the following information for the primary contributor completing this survey. We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.

Name	Title (Mr., Mrs., Ms., etc.):	[]
	First Name:	[]
	Last Name:	[]
	Position (e.g. manager, associate, partner):	[]
	Profession (e.g. lawyer, judge, association member):	[]
Contact Details	Company name:	[]
	E-mail address:	[]
	Phone:	[]
	Fax:	[]
	Website:	[]
Company Address	Street:	[]
	City:	[]
	P.O. Box:	[]
	State/Province:	[]
	Zip/Postal Code:	[]
	Country:	[]

Additional Contributors

Please provide the following information for any additional contributors who assisted in completing this survey.

Name	Occupation	Email	Phone	Address (if different from above)
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]

Case Study Assumptions

You are following all procedures necessary to hire the skilled expatriate worker described below on a full-time basis. Please always refer to the case study when describing a procedure in **Section A** of the survey.

The Worker	<ul style="list-style-type: none"> • 50-year-old, non-executive, male engineer. • Works in production of the most common horticultural product in the country. • Holds a masters or PhD in an area of specialization, or is similarly highly-skilled. • Is not a citizen of the producing country. • Recruited and offered contractual employment by the Employer for a period of one year.
The Employer	<ul style="list-style-type: none"> • Limited liability company engaged in agro-processing of the most common horticultural product in the country. • 100% domestically owned, operates in the agribusiness sector, and abides by every law and regulation. • Has 50 employees.

Definitions

Procedure: Any interaction of the Employer’s manager or employees with external parties, including government agencies, lawyers, and notaries. Interactions among the manager or employees of the Employer are not counted as procedures. All procedures that are legally or in practice required for the Employer to hire the Worker are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request and ends once the Employer has received a final document. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: Only include **official fees and taxes**. Bribes are excluded. If possible, please indicate the relevant fee schedule or calculation formula. Professional fees (notaries, lawyers or accountants) are only included if the Employer is required to use such services by law.

Agency: Indicate name and level of agency (Municipal/City, Regional/State, National, or Private Professional).

A. Hiring a Skilled Expatriate Worker

Please describe the full sequence of procedures required to hire the skilled expatriate worker described in the case study. For example, these may include obtaining a work permit, resident visa, or temporary pass, as applicable. Please specify the class of work permit and issuing agency. Do not include any recruitment requirements prior to the offer of employment to the expatriate worker, such as posting of the position in the newspaper.

Please include references to applicable laws and regulations and any additional assumptions or necessary explanatory details such as constraints due to immigrant quotas. Add additional boxes as needed.

Procedure 1	[Name of procedure]
Time	[] days
Cost	[]
Agency	[]
	Agency level: []
Details	[]

Procedure 2	[Name of procedure]
Time	[] days
Cost	[]
Agency	[]
	Agency level: []
Details	[]

Procedure 3	[Name of procedure]
Time	[] days
Cost	[]
Agency	[]
	Agency level: []
Details	[]

B. Seasonal and Migrant Workers Index

Please respond to the following survey questions on seasonal and migrant workers. Please include references to applicable laws and regulations and any necessary explanatory comments. If the law is silent for a particular question, indicate in the “Comments” section whether these activities are common in the country.

Question	Response	Comments
1. Do current regulations allow for the enlistment of workers on a casual basis (i.e. work on a daily or hourly basis)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
a. Are there statutory restrictions on the number of days a casual worker may be enlisted after which they must be converted to fixed-term contract, with similar rights and benefits as a permanent employee?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
b. What is the maximum cumulative duration of a casual employment relationship?	[] months <input type="checkbox"/> No limit <input type="checkbox"/> N/A	[]
2. Are there restrictions on the use of fixed-term contracts in hiring seasonal farm & agro-processing workers?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
a. What is the maximum cumulative duration of a fixed-term employment relationship, including all renewals?	[] months <input type="checkbox"/> No limit <input type="checkbox"/> N/A	[]
3. Do current regulations allow for the use of farm labor contractors in recruiting and employing seasonal farm workers?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
a. Is there a process for licensing and registration of farm labor contractors, including reasonable time and cost for registration?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
4. Do current regulations allow for piecemeal-based pay (i.e. by item made or picked), so long as anticipated income is consistent with the country's minimum wage (if applicable)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
5. Do current regulations allow for task-based pay, so long as anticipated income is consistent with the country's minimum wage (if applicable)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
6. Do current regulations permit the employment of migrant farm & low-skilled agro-processing workers (both domestic and foreign) on a seasonal basis?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
7. Do current regulations permit the free movement of migrant farm & low-skilled agro-processing workers (both domestic and foreign) within the country?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

Referrals

Please help us gather additional data for this pilot by referring us to other experts in the private and public sector that are well-suited for completing the “Employing Agricultural Workers” survey for the agricultural sector.

	First Name	Last Name	Company	Position	Phone	Email
Labor lawyers	[]	[]	[]	[]	[]	[]
Labor economists	[]	[]	[]	[]	[]	[]
Ministry of Labor officials	[]	[]	[]	[]	[]	[]
Employers/Workers Associations	[]	[]	[]	[]	[]	[]
Others: []	[]	[]	[]	[]	[]	[]

Thank you very much for completing the survey!

Your participation in the AGRI Index pilot to gather important information on the regulatory environment for agribusinesses is greatly appreciated.



Accessing Rural Land Survey – [COUNTRY]

Dear Contributor,

Thank you for participating in the Agribusiness Regulation and Institutions (AGRI) Index pilot project. Your input and expertise in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) project.

The goal of the AGRI Index is to develop a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The AGRI Index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulatory and administrative burdens that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Accessing Rural Land” indicator is one of 8 indicators of the AGRI Index. The following survey evaluates the official procedures, time and cost required to register and transfer a mid-sized farm from a seller to a buyer. In addition, two indices measure access to property registration information and services and the ability to utilize customary land. The intent of gathering this information is to identify areas where regulatory and administrative procedures can be improved and streamlined, based on real-world data provided by experts such as yourself.

For the AGRI Index survey, we ask that you please:

- Carefully review the assumptions of the case study before completing the survey
- Respond to the survey questions based on your experiences working with agribusinesses
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by [DATE] to ichien@fintrac.com, nrindler@fintrac.com or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Nate Kline, Chief of Party
USAID-Enabling Agricultural Trade (EAT) project

Primary Contributor Information

Please provide the following information for the primary contributor completing this survey. We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.

Name	Title (Mr., Mrs., Ms., etc.):	[]
	First Name:	[]
	Last Name:	[]
	Position (e.g. manager, associate, partner):	[]
	Profession (e.g. lawyer, judge, association member):	[]
Contact Details	Company name:	[]
	E-mail address:	[]
	Phone:	[]
	Fax:	[]
	Website:	[]
Company Address	Street:	[]
	City:	[]
	P.O. Box:	[]
	State/Province:	[]
	Zip/Postal Code:	[]
	Country:	[]

Additional Contributors

Please provide the following information for any additional contributors who assisted in completing this survey.

Name	Occupation	Email	Phone	Address (if different from above)
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]

Case Study Assumptions

Measuring the time, cost and procedures to transfer a farm between two individuals

- **Buyer** and **Seller** are both sole proprietors. Seller has accepted Buyer's offer to purchase the Farm and the terms of the contract between both parties has been agreed. The purchase price for the property is **[50*GDP per capita]**. The parties are ready to proceed to fulfill all the common requirements in order to complete the transfer.
- The **Farm** is 50 hectares, located in a peri-rural area (i.e. a rural area within 100 km and with relatively easy access to **[MAIN COMMERCIAL CENTER]** in **[PROVINCE]**, the main agricultural-producing province in the country. The Farm includes all farm equipment and out-buildings needed to support its operations. The Farm employs 1 local manager who oversees 10 full-time laborers. The work force grows to 25 during planting and harvesting seasons. The land is zoned for agricultural use, and no rezoning is required.
- The Seller has owned the Farm for the past 10 years. The property is properly registered in the land registry and/or cadastre and is free of title disputes and all encumbrances.

Definitions

Procedure: Any interaction of Buyer or Seller, their agents or the property with external parties; for example, government agencies, inspectors, lawyers or notaries. Interactions between the Buyer, Seller and their agents are not considered separate procedures.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of an application or request, and ends once the party has received the final document. For example, it includes the time to make an appointment with the notary or any waiting time once documents are filed. Please also include any time required to travel back and forth from **[MAIN COMMERCIAL CENTER]** to the appropriate administrative office, including if multiple trips are required. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: Only include **official fees and taxes**. Bribes are excluded. If possible, please indicate the relevant fee schedule or calculation formula. Professional fees (notaries, lawyers or accountants) are only included if it is required to use such services by law.

Agency: Indicate name and level of agency (Municipal/City, Regional/State, National, or Private Professional).

A. Registering Rural Land

Please describe the full sequence of procedures necessary for the Buyer to properly register the Farm indicated in the case study. For example, these may include obtaining a non-encumbrance certificate, undergoing a site inspection and valuation by a government valuer, submitting an application to the property registry agency, or transferring land use rights.

Please include references to applicable laws and regulations (including fee schedules) and any necessary explanatory details or additional assumptions required, including where delays typically arise and the cause of such delays (ex. travelling to administrative offices, lack of staff in administrative offices). Add boxes for additional procedures as needed.

Procedure 1	[Name of procedure]
Time	[] days
Cost	[]
Agency	[]
	Agency level: []
Details	[]

Procedure 2	[Name of procedure]
Time	[] days
Cost	[]
Agency	[]
	Agency level: []
Details	[]

Procedure 3	[Name of procedure]
Time	[] days
Cost	[]
Agency	[]
	Agency level: []
Details	[]

Procedure 4	[Name of procedure]
Time	[] days
Cost	[]
Agency	[]
	Agency level: []
Details	[]

B. Access to Property Registration Index

Please respond to the following survey questions on ease of access to property registration. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
f. Is real property registration possible in every state/province?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
g. Can real property registration be accomplished via an automated, online process?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
h. Is information and documentation about real property registration available online?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
i. Are the steps and timeframes required for real property registration clear?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
j. Are the steps for real property registration the same regardless of property size?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
k. Are the steps for real property registration the same regardless of the nationality of ownership?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
l. Is the quality of data in the land registry reliable, with few cases of dual or fake titles?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

C. Utilizing Customary Land Index

Please respond to the following survey questions on the extent to which a formal, outside entity can legally use customary land without undue restrictions, whether through obtaining and registering a long-term leasehold interest or converting to statutory land. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Do formal, wholly domestically owned entities (i.e. corporations, partnerships, cooperatives, sole proprietorships) have a legal right to lease customary land?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
2. Do formal entities have a de facto right to lease customary land?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
3. Is approval required from a governor or similarly high-level ministerial official to enter into a lease for customary land?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
4. What is the statutory maximum duration, if any, for a lease of customary land?	[] years	[]
5. What is the statutory maximum amount of customary land, if any, that a formal entity	[] hectares	[]

can acquire?		
6. Are there statutory restrictions on the right to produce on the land based on the leaseholder's own preferences?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
7. Are there statutory restrictions on the leaseholder's ability to subdivide, sublease or rent the land?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
8. Can a long-term (50+ years) leasehold interest in customary land be transferred to another formal entity?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
9. Can a long-term (50+ years) leasehold interest in customary land be registered and recorded in a manner that protects such registered interests?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
10. Does the legal framework allow long-term leaseholders (50+ years) to obtain mortgages on customary land?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
11. Do such mortgages occur in practice?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
12. Is there an impartial judicial or quasi-judicial body that has jurisdiction to hear cases or arbitrations involving customary land disputes?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13. Is there a formal legal process to convert customary land to statutory land?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
14. Does the process involve clearly defined steps with identified and appropriate administrative bodies?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
15. Can the process be completed within a reasonable period of time, and within a reasonable amount of required costs?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
Median time required?	[] days	[]
Range of time required (low to high)?	[] days	[]
Median cost required?	[] USD	[]
Range of cost required (low to high)?	[] USD	[]

Referrals

Please help us gather additional data for this pilot by referring us to other experts in the private and public sector who are well-suited for completing the “Accessing Rural Land” survey for the agricultural sector.

	First Name	Last Name	Company	Position	Phone	Email
Property lawyers	[]	[]	[]	[]	[]	[]
Academic expert in land rights	[]	[]	[]	[]	[]	[]
Ministry of Land officials	[]	[]	[]	[]	[]	[]
Others: []	[]	[]	[]	[]	[]	[]

Thank you very much for completing the survey!

Your participation in the AGRI Index pilot to gather important information on the regulatory environment for agribusinesses is greatly appreciated.



Accessing Finance Survey – [COUNTRY]

Dear Contributor,

Thank you for participating in the Agribusiness Regulation and Institutions (AGRI) Index pilot project. Your input and expertise in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) project.

The goal of the AGRI Index is to develop a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The AGRI Index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulations that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Accessing Finance” indicator is one of 8 indicators of the AGRI Index. The following survey assesses the degree to which collateral and secured transactions laws and institutions facilitate lending to the agricultural sector via three indexes: the Agricultural Collateral Index, the Movables Collateral Registry Index, and the Warehouse Receipts System Index. The intent of gathering this information is to use real-world data provided by experts such as yourself to identify areas where legal, regulatory and administrative reform can allow agribusinesses to fully utilize their movable assets as collateral and increase access to finance.

For the AGRI Index, we ask that you please:

- Respond to the survey questions based on your experiences working with agribusinesses
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by [DATE] to ichien@fintrac.com, nrindler@fintrac.com or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Nate Kline, Chief of Party
USAID-Enabling Agricultural Trade (EAT) project

Primary Contributor Information

Please provide the following information for the primary contributor completing this survey. We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.

Name	Title (Mr., Mrs., Ms., etc.):	[]
	First Name:	[]
	Last Name:	[]
	Position (e.g. manager, associate, partner):	[]
	Profession (e.g. lawyer, judge, association member):	[]
Contact Details	Company name:	[]
	E-mail address:	[]
	Phone:	[]
	Fax:	[]
	Website:	[]
Company Address	Street:	[]
	City:	[]
	P.O. Box:	[]
	State/Province:	[]
	Zip/Postal Code:	[]
	Country:	[]

Additional Contributors

Please provide the following information for any additional contributors who assisted in completing this survey.

Name	Occupation	Email	Phone	Address (if different from above)
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]

A. Agricultural Collateral Index

Please indicate whether the law allows for the use of the following assets as collateral. If the law allows for or is silent about a type of collateral or security right, but such collateral or security right is not commonly used in practice, please indicate this in the “Comments” section. Please also include references to applicable laws and regulations and any necessary explanatory comments, such as if there are any major restrictions or requirements in using a particular type of asset as collateral.

Type of Collateral	Response	Comments
a. Farm equipment (ex. tractors, combines, milling equipment, dryers, etc.)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
b. Crop in the field (pre-harvest advances as planted crops approach harvest)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
c. Crop in the warehouse (crops which have been harvested and are being held in storage awaiting sale)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
d. Livestock	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
e. Inventory (ex. on-farm supplies, such as fuel, fertilizer, crop protection products, seed)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
f. Patented plant variety (based on the variety’s future earning capacity)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
g. Futures contract (exchange-based commitment to buy a given volume of a given commodity at a pre-determined price at a specified future date)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
h. Accounts receivable (ex. value remaining to be paid for a crop transaction where the crop has already been delivered to the buyer)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
i. Buy/sell agreements (contractual commitment between buyer & seller specifying the volume, value and time frame at which a commodity will be delivered)	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]
j. Land and water rights	<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> LAW IS SILENT	[]

B. Movables Collateral Registry Index

Please respond to the following survey questions assessing the existence and functionality of a movables collateral registry with respect to facilitating access to finance and improving the ability to translate valuable assets into productive use. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. What type of registry exists for registering movables collateral?		
1.a. Single, unified movables collateral registry	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
1.b. Multiple registries for different types of assets or security interests (ex. land registry, vehicles registry, movables registry, companies registry, bankruptcy court filings)	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
1.c. Other: []	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

Question	Response	Comments
If a single, unified movables collateral registry exists, please answer Questions 2-11 for such movables collateral registry. If no single, unified movables collateral registry exists, please answer Questions 2-11 for the registry <u>most commonly used</u> to register movables collateral.		
2. Can security rights for a broad range of tangible and intangible movables (i.e. equipment, crops, livestock, accounts receivable, inventory, futures, etc.) be registered in the movables collateral registry?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
3. Can security rights for all types of debtors, including sole proprietors, be registered in the movables collateral registry?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
4. Is the movables collateral registry centralized, with a single unified database covering assets and creditors located throughout the country?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
5. Does the movables collateral registry operate a fully electronic database system?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
6. Can registration and searching in the movables collateral registry be performed online?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
7. Is data from the movables collateral registry reliable?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
8. Is real-time information from the movables	<input type="checkbox"/> YES	[]

registry widely accessible to the general public without any restrictions, including by those located in commercial centers outside of the capital?	<input type="checkbox"/> NO	
9. Can registration in the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
10. Can a search of the movables collateral registry be performed within a reasonably rapid time frame and with reasonable costs and fees?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
11. Does the secured lending system provide for priority based on order of filing?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

C. Warehouse Receipts System Index

Please respond to the following survey questions assessing the conduciveness of the legal and regulatory framework for warehouse receipts systems. Please include references to applicable laws and regulations and any necessary explanatory comments.

If there are no laws or regulations pertaining to warehouse receipts systems currently in force, stop after Question 1.

Question	Response	Comments
1. Are there any laws or regulations pertaining to warehouse receipts systems currently in force?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
2. Do such laws or regulations specify an entity tasked with registration, licensing, and oversight of warehouses?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
2.a. Is such entity private or public?	<input type="checkbox"/> PUBLIC <input type="checkbox"/> PRIVATE	[]
3. Does the legal and regulatory framework provide clearly established criteria for registering a warehouse, such as specifications for the physical facility and equipment (ex. silos, cleaners, fumigators)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
4. Does the legal and regulatory framework require warehouse operators to be licensed and establish clear requirements for obtaining an operator license?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
5. Does the legal and regulatory framework provide for commodity standards and grading systems?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

5.a. Are such commodity standards and grading systems enforced effectively?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
6. Are there established procedures and standards for handling the commodities in warehouse storage?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
7. Does the legal and regulatory framework provide for regular inspections by the regulating entity or licensed third-party inspectors?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
8. Does the legal and regulatory framework provide for consequences/penalties for non-compliance of the handling of commodities in storage?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
9. Does the legal and regulatory framework clearly specify who bears the risk of loss, destruction, spoilage or damage?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
10. Does the legal and regulatory framework specifically recognize warehouse receipts as a document of title and a security instrument that is negotiable, transferable, and subject to encumbrance?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
11. Are warehouse receipts registered in a centralized registry with an electronic database that is easily accessible to the general public?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
12. In case of liquidation or bankruptcy, does the legal and regulatory framework clearly specify that commodities stored in the warehouse are immune from the reach of warehouse operators' creditors?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13. Under the legal and regulatory framework, which of the following items are warehouse receipts required to contain?		[]
13.a. Name and address of licensed warehouse operator	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13.b. Designation and grade of warehouse	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13.c. License number of warehouse	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13.d. Name and address of depositor	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13.e. Relationship between warehouse operator and depositor if not a strictly disinterested custodianship	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

13.f. Description and quality of goods	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13.g. Whether goods are insured or not	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13.h. Net weight of goods	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
13.i. Other: []	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
14. Does the legal and regulatory framework provide for a specific forum to resolve disputes relating to warehouse receipts systems?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

Referrals

Please help us gather additional data for this pilot by referring us to other experts in the private and public sector who are well-suited for completing the “Accessing Finance” survey for the agricultural sector.

	First Name	Last Name	Company	Position	Phone	Email
Finance lawyers	[]	[]	[]	[]	[]	[]
Commercial bankers	[]	[]	[]	[]	[]	[]
MFIs or Non-Bank Financial Institutions	[]	[]	[]	[]	[]	[]
Agribusiness membership organizations	[]	[]	[]	[]	[]	[]
Collateral managers	[]	[]	[]	[]	[]	[]
Others: []	[]	[]	[]	[]	[]	[]

Thank you very much for completing the survey!

Your participation in the AGRI Index pilot to gather important information on the regulatory environment for agribusinesses is greatly appreciated.



Complying with Taxes Survey – **COUNTRY**

Dear Contributor,

Thank you for participating in the Agribusiness Regulation and Institutions (AGRI) Index pilot project. Your input and expertise in paying taxes in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) Project.

The goal of the AGRI Index is to develop a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The AGRI Index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulations that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Complying with Taxes” indicator is one of 8 indicators of the AGRI Index. The following survey measures certain aspects of the tax system from the point of view of a mid-sized farm complying with tax laws and regulations. The indicator covers the cost of taxes borne by the farm and the administrative burden of tax compliance. The intent of gathering this information is to identify areas where regulatory and administrative procedures can be improved and streamlined, based on real-world data provided by experts such as yourself.

For the AGRI Index survey, we ask that you please:

- Carefully review the assumptions of the case study before completing the survey
- Respond to the survey questions based on your experiences working with agribusinesses
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by **[DATE]** to ichien@fintrac.com, nrindler@fintrac.com or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Steven Fondriest, COR
USAID

Primary Contributor Information

***We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.**

Title (Mr., Mrs., Ms., etc.)	First Name	Last name	Position	Department	Phone	Fax	E-mail

Firm	Street Address	City	Zip Code	State/Province	Country	Website	Other

INSTRUCTIONS

PLEASE READ THE INSTRUCTIONS AND ASSUMPTIONS CAREFULLY BEFORE STARTING TO COMPLETE THE SURVEY

In the following pages, please calculate the total amount of tax paid to all levels of government by the case study farm described below ("TaxPayerFarm") during the fiscal/financial year ended 31 December 2011. In addition, please provide the time necessary to comply with tax regulations as well as details on the number of payments required.

Always use the most favorable method for the business for computing taxes, *i.e.* minimize taxes within the legal constraints and by making reasonable assumptions where necessary. **Please state any such assumptions clearly** in the "Notes" section corresponding to the relevant data. The information provided should be based on a typical or normal agribusiness of a similar size in your country.

Case Study Agribusiness - TaxPayerFarm

TaxPayerFarm is a 50 hectare, irrigated farm growing one cycle of horticultural crops (*e.g.* tomatoes, peppers, eggplant, onions) during the dry season, followed by a second cycle of staple crops (*e.g.* maize, sorghum, millet) during the rainy season. It is owned by a sole proprietor, who holds a 50-year lease on the land, as well as all farm equipment and outbuildings needed to support the operation. The farm employs 1 local manager, who oversees 10 full-time laborers. The work force grows to 25 laborers during the planting and harvesting seasons.

Additional assumptions about TaxPayerFarm, which should also be used in answering the questions in this survey, can be found in the sheet "Case Study Assumptions."

Definitions

Number of Payments: The total number of taxes paid, the method of payment, the frequency of payment and the number of agencies involved for this standardized case during the second year of operation. It includes payments made by TaxPayerFarm on consumption taxes, such as Sales Tax, VAT or GST which are collected from consumers on behalf of the tax authorities. The number of payments takes into account electronic filing. Where full electronic filing is used by the majority of farms of this size for both filing and payment of a particular tax, the tax is counted as paid once a year even if the payment is more frequent. Additionally, taxes such as fuel tax which might be embedded in payments to third parties other than government are counted as 1 payment even though paid more than once.

Time: The number of hours per year that it takes to prepare, file tax returns for and pay income tax; VAT, Sales Tax or GST; labor taxes and mandatory contributions borne by the employer (if a farm of this size is required to pay these taxes or regularly elects to do so), and any other taxes that involve compliance activities that are time-consuming for a farm of this size, such as harvest/cess taxes, agricultural levies and water taxes, as applicable.

Total Tax Rate: The amount of taxes borne by TaxPayerFarm in the second year of operation, expressed as a percentage of "commercial profits" (defined below). The total amount of tax is the sum of all of the different business tax liabilities borne by TaxPayerFarm. The taxes collected by TaxPayerFarm (such as Sales Tax, GST and VAT, where recoverable and employee taxes withheld by the TaxPayerFarm as an agent for the government) but not borne by TaxPayerFarm are excluded.

Commercial Profits: Accounting profits before all taxes borne by TaxPayerFarm. The commercial profits of TaxPayerFarm are defined as sales minus cost of goods sold, minus gross salaries, minus administrative expenses, minus other expenses, minus provisions, and minus commercial depreciation. Commercial profits are essentially profits before all business taxes borne. For purposes of standardization, the commercial profits of TaxPayerFarm are assumed to be **60*GDP per capita**.

Mandatory tax books and records: In the course of the financial year, businesses are required to maintain various books and records for accounting and audit purposes. These books are also often used for preparing tax computations and completing tax returns. In some cases, tax laws or tax authorities may also require businesses to **keep additional books and records specifically for tax purposes**, which are over and above those kept for the accounting and audit processes, and which are not required for the financial reporting processes. In completing the sheet "Time" regarding compliance time, please disregard in those entries any time spent on books and records which are also used for financial accounting or audit purposes.

Case Study Assumptions

In order to make responses comparable across countries, a standardized case study was developed. **When completing the survey, please bear in mind the designated assumptions for a standardized agribusiness called "TaxPayerFarm," as described below.**

General Assumptions about TaxPayerFarm

Type of Business	Sole proprietorship that is 100% domestically and privately owned (<i>i.e.</i> , owned and run by a single individual, who is the owner of the farm and a citizen of the country). TaxPayerFarm started operations 2 years ago, on 1 January 2010. On that date the farm owner bought all the assets described below.
Location	TaxPayerFarm is located in a peri-rural setting (<i>i.e.</i> , a rural area within 100 km of and with relatively easy access to [MAIN COMMERCIAL CENTER]) in [PROVINCE], the main agricultural-producing province in the country. The farm is liable for taxes charged at the local, state/provincial and national level. Please consider taxes at all levels when completing the survey.
Size	TaxPayerFarm is a 50 hectare, irrigated farm. The farm employs 1 local manager who oversees 10 full-time laborers. The workforce grows to 25 laborers during planting and harvesting seasons.
Activities	TaxPayerFarm grows one cycle of horticultural crops (<i>e.g.</i> , tomatoes, peppers, eggplant, onions) during the dry season, followed by a second cycle of staple crops (<i>e.g.</i> , maize, sorghum, millet) during the rainy season. All produce is either sold at the farm gate or delivered to the local market. Eight trips to the local market are made per year. All of TaxPayerFarm's transactions are purely domestic, and it does not handle any products subject to a special tax regime, such as liquor or tobacco.
Assets	TaxPayerFarm holds a 50 year lease on the land. In addition, TaxPayerFarm owns all farm equipment and outbuildings needed to support the operation. TaxPayerFarm also owns 1 truck and leases 1 truck.
Capital	Start-up capital of the farm was equal to 102*GDP per capita . The capital has not changed since the farm was created.
Tax Incentives	TaxPayerFarm does not qualify for investment incentives or any special benefits (exemptions, reduced rates, etc.) other than those applicable to the agricultural sector as a whole.
Accounting Rules	Accounting is compliant with applicable GAAP (whether local or international depending on your country's laws). This includes for example, the IAS/IFRS regime if applicable to your country.
Turnover	TaxPayerFarm's assumed turnover is 650*GDP per capita . This figure is after accounting for any post-harvest losses.

General Assumptions about Employees

Employees	TaxPayerFarm has 1 manager and 10 full-time laborers. The work force grows to 25 laborers during the planting and harvesting seasons. All full-time workers were hired on the same day, 1 January 2010. No full-time employee has left the farm and no new full-time employee has joined the farm since 1 January 2010. The short-term seasonal workers are employed for 40 days each over 3 months. The salary of the manager is 0.75*GDP per capita per month. The salary for each laborer is 0.1*GDP per capita per month. All employees are nationals, male and female, and married with two children each.
Social security contributions and payroll taxes	All social security contributions and payroll taxes paid by TaxPayerFarm for each category of employee on the wages and salaries paid by TaxPayerFarm. These taxes may be termed differently in different economies. These taxes and contributions should be split between those that are a cost to the employer and those that are withheld by the employer on behalf of the employee. Please do NOT include social security contributions and payroll taxes paid directly by the employee in relation to the wages and salaries paid to them by the farm.
Other taxes and mandatory contributions on employees	All other taxes and social contributions paid by TaxPayerFarm or withheld by the farm from employees' pay. Please keep in mind that these can be collected by different levels of government. Please include all government mandated contributions even if paid to non-governmental entities (<i>e.g.</i> compulsory guarantees and insurance paid to third party agencies).

Assumptions about Fixed Assets

Land	On 1 January 2010, the company began operations owning 1 plot of land covering 50 hectares (5,381,955 square feet or 500,000 square meters). Assume that the value of the land provided is net of any tax deductible depreciation in 2010. Please compute the tax deductible depreciation for 2011 only. Assumed value: 50*GDP per capita .
------	--

Buildings	The outbuildings, where production and storage take place, have a combined size of 10,000 square feet (929 square meters). Please compute the tax deductible depreciation for 2011 only. Assumed value: 60*GDP per capita .
Farm Equipment	The farm equipment is classified as light machinery for tax purposes. Assume that the value of the equipment provided is net of any tax deductible depreciation in 2010. Please compute the tax deductible depreciation for 2011 only. Assumed value: 60*GDP per capita .
Truck	The truck is used to transport products to local markets and is classified as a non-luxury and medium size unit. The truck does on average 10,000 km per year (6,213 miles per year) and weighs 15,300 kilos (34,000 pounds) when loaded. Assume that the value of the truck provided is net of any tax deductible depreciation in 2010. Please compute the tax deductible depreciation for 2011 only. Please do not use this mileage for computing the fuel tax. The fuel consumption is provided in "Tax-Deductible Expenses" and does not necessarily match the assumptions on mileage. Assumed value: 5*GDP per capita .
Business Development Expenses	These are expenses that TaxPayerFarm incurred when starting operations and were capitalized. The value of business development expenses provided is net of any amortization in 2010. Please compute the tax amortization/depreciation for 2011 only. These expenses are valued at 5*GDP per capita .
Assumptions about Profit and Loss	
Losses	TaxPayerFarm made tax losses in the first year of operations (2% of capital). If these tax losses can be brought forward to 2011, please incorporate this in the calculation of taxable income by inputting the maximum losses that can be utilized in this financial year on the sheet "Taxable Income".
Profit	TaxPayerFarm is assumed to have commercial profit equal to 60*GDP per capita . Please see the sheet "Instructions" for a more thorough definition of commercial profits.
Assumptions about General Expenses and Provisions	
Deductible Taxes	In the calculation of taxable income, please account for any business taxes charged across different levels of government that are deductible by TaxPayerFarm for income tax purposes (e.g. , property taxes).
Operational Expenses	Includes salaries plus all the general administrative expenses necessary to carry out operations. Gross salaries for all employees combined as assumed to be 24*GDP per capita . Administrative expenses are assumed to be 10*GDP per capita .
Start-up Expenses	Official and attorney fees paid at the time of business formation (on 1 January 2010), assumed to be equal to 1*GDP per capita . If the farm can deduct these expenses in full in the first year of operation, then input zero as this year's deductible expense. If the tax law allows businesses to assign these expenses to future years and such future assignment is done by majority of farms like TaxPayerFarm, please incorporate this in the calculation of taxable income. Then please deduct the maximum possible in the second year of operations (2011).
Leasing Expenses	In the second year (2011), TaxPayerFarm leases a new truck for 3 years due to the increasing demand for transportation of its products. This truck covers on average 10,000 km (6,213 miles) per year, and weighs 15,300 kilos (34,000 pounds) when loaded. Please do not use this mileage for computing the fuel tax. The fuel consumption is provided in the 'Deductions and Provisions' worksheet and does not necessarily match the assumptions on mileage. The leasing expenses are assumed to be 1*GDP per capita .
Building Insurance	TaxPayerFarm insures the outbuildings against fire and theft at a cost of 1% of the value of all of the outbuildings combined, or 0.01*60*GDP per capita .
Accountancy Fees	TaxPayerFarm hires an accountancy firm to manage its books. The accountancy fees are assumed to be 0.1*GDP per capita .
Equipment Repair Expenses	In the second year of operations (2011), TaxPayerFarm is forced to repair some of its machinery. These repairs do not add value to the machinery. The cost of the repairs is not capitalized in the farm's books. The repair expenses are assumed to be 2*GDP per capita .
Owner's Expenses	These are purely private expenses made by the owner, and are assumed to be 0.02*GDP per capita .
Fuel Expenses	TaxPayerFarm purchases vehicle fuel and therefore should pay fuel tax (if applicable). Fuel tax may be embedded in the price of fuel paid at the pump upon fuel purchase. If fuel tax is embedded in the price of fuel and fuel taxes are deductible for income tax purposes, please include the fuel tax under "E. Tax-Deductible Taxes" and omit the fuel expenses under "B. Tax-Deductible Expenses and Provisions" on the sheet "Taxable Income". Assumed value of fuel consumption: 0.5*GDP per capita .

Water Expenses

TaxPayerFarm uses 40,000 cubic meters of water per year, from a combination of underground water from the farm's borehole and rainwater. The cost of running the borehole is assumed to be **30*GDP per capita**. This includes electricity and consumables. The farm must also pay associated user fees or duties (if any). If water taxes are embedded in the price of water and water taxes are deductible for income tax purposes, please include water taxes under "E. Tax-Deductible Taxes" and omit water expenses under "B. Tax-Deductible Expenses and Provisions" on the sheet "Taxable Income".

Input Expenses

TaxPayerFarm purchases the seed, fertilizer, and pesticides needed for production. The cost of these inputs is assumed to be **250*GDP per capita**.

Provision for maintenance and repairs

TaxPayerFarm puts aside every year 1 % of the net value of the farm equipment to pay for future repairs. This is a provision, not an actual expense. No funds leave the business. Assumed value: **0.01*60*GDP per capita**.

Taxes Applicable to TaxPayerFarm

INSTRUCTIONS. Please describe each of the taxes the farm must withhold or pay throughout the year to all levels of government. Please let us know the level of government levying the tax (e.g. , national, provincial/state, local/municipal) and the institution or agency that collects the tax. Also, please include the applicable tax rate and tax base, as well as whether the tax is deductible when calculating TaxPayerFarm's income tax. Examples of taxes that may apply to TaxPayerFarm:

Income Tax. Please indicate whether a sole proprietorship of this type in your country must file and pay income tax as an individual, a corporation, or under a different income taxation regime.

VAT, GST or Sales Tax. Please list all the transaction taxes (such as VAT, Sales Tax, Consumption Tax, Goods and Services Tax, Turnover Tax, Wholesale Tax or equivalent) that the TaxPayerFarm has to pay throughout the year at all levels of government. If the tax follows a debit/credit system like the VAT - regardless of the tax name - indicate (VAT) in parentheses next to the name of the tax. If TaxPayerFarm is taxed as a final purchaser with no debit/credit system, then indicate (Sales Tax) next to the name of the tax - again regardless of the name of the tax (common names are consumption tax, state sales tax, general transaction tax).

Labor Taxes and Contributions (paid by employer). Please include all social security contributions, payroll taxes, and other taxes and social contributions paid by the farm for each category of employee on the wages and salaries paid by the farm. Please keep in mind that these can be collected by different levels of government. Please include all government mandated contributions even if paid to non-governmental entities (e.g., compulsory guarantees and insurance paid to third party agencies). Please include any floors and ceilings applicable in the "Notes" column. A floor is the minimum tax base on that particular tax or contribution (i.e. a floor of 200 means that a wage of 300 would pay tax only on 100). A ceiling is the maximum tax base on that particular tax or contribution (i.e. a ceiling of 5,000 means that a wage of 6,000 would pay taxes only up to 5,000). **NOTE: If a farm of this size in your country is not required to pay labor taxes and contributions and does not usually elect to do so, please omit these taxes and contributions from your responses.**

Other Taxes. Based on the assumptions, TaxPayerFarm holds various assets and undertakes various transactions which may have tax implications. Please confirm the other taxes paid by TaxPayerFarm (apart from income, consumption and labor taxes) and indicate whether those taxes are deductible for income tax purposes. Examples of other taxes that may apply to TaxPayerFarm: property taxes, fuel/vehicle taxes, stamp duties, tax on insurance contracts, municipal taxes, harvest taxes/cess/agricultural levies, water taxes and fees, input taxes, ground rent, etc. **Please refer to the Case Study Assumptions as needed.**

<u>Description of tax to be paid or withheld</u>	<u>Level of government levying the tax</u>	<u>Institution or agency collecting the tax</u>	<u>Tax Rate</u>	<u>Tax Base</u>	<u>Deductible in income tax? (Y/N)</u>	<u>Notes</u>
--	--	---	-----------------	-----------------	--	--------------

--	--	--	--	--	--	--

Time

INSTRUCTIONS. Please provide information on the time it takes to prepare, file for and pay (1) Income Tax; (2) VAT, GST or Sales Tax; (3) Labor Taxes and Contributions (if applicable); and (4) any other tax that involve compliance activities for a farm the size of TaxPayerFarm in your country. Definitions:

PREPARATION: This should include all time spent calculating the tax liability for inclusion in tax returns, including time spent maintaining special or additional accounting records or books specifically required for tax purposes. It should not include time spent maintaining books and records required for accounting and auditing purposes, even if those book are used for preparing tax computations and completing tax returns.

FILING: This should include all time spent completing and filing the tax returns, including time spent traveling to and from and queuing at administrative offices.

PAYMENT: This should include all time spent calculating any tax payments required and actually making the payments, including time spent traveling to and from and queuing at administrative offices.

Please outline briefly the main steps and tasks for each time entry. Specify what you believe hastens the process (e.g. electronic systems) and what slows it down (e.g. too few counters, locations for filing/payment too centralized). Steps may include, but are not limited to, the following:

- Data gathering from internal sources if held (for example, accounting records)
- Additional analysis of accounting information to highlight tax sensitive items
- Actual calculation of tax liability including data inputting into software/spreadsheets or hard copy records
- Time spent maintaining/updating accounting systems for changes in tax rates and rules
- Preparation and maintenance of mandatory tax books and records if required (**see "Instructions" for definition of mandatory tax books and records**).
- Completion of tax return forms
- Time spent submitting forms to tax authority, which may include time for electronic filing (or traveling to an internet cafe), traveling to administrative offices that are only located in a few centralized locations (please indicate how far away the closest office is located), waiting time at tax authority office, etc.
- Calculations of tax payments required including, if necessary, extraction of data from accounting records
- Analysis of forecast data and associated calculations if advance payments are required (for example, quarterly installment payments based on estimates of expected tax liability)
- Time to make the necessary tax payments, either online or at the tax authority office, including time for waiting in line and traveling to centralized locations (please indicate how far away the closest office is located)
- Other activities undertaken by TaxPayerFarm to comply with tax requirements in your economy (please specify)

Labor Taxes and Contributions. The steps required to comply with the requirements for labor taxes and contributions should include not only those labor taxes and contributions borne by TaxPayerFarm but also those withheld by TaxPayerFarm from employee’s pay on behalf of the government. **NOTE:** If a farm of this size in your country is not required to pay labor taxes and contributions and does not usually elect to do so, please omit these taxes and contributions from your responses.

Information on compliance time will directly impact the time indicator. We would highly appreciate your taking the time to break down the compliance time among the various tax compliance activities per the different lines below to assist our analysis. **Please take care not to double count hours where requirements are completed simultaneously (e.g. , where taxes are filed and paid in a single trip to the tax authority, the time for this trip should be counted as a single step).**

PART I - INCOME TAX

Key Steps and Tasks for Income Tax

Hours per year

<u>Key Steps and Tasks for Income Tax</u>	<u>Hours per year</u>

--	--

Total Time for Income Tax (in Hours)	0
---	---

Notes or comments (if any):	
------------------------------------	--

PART II - VAT, GST, or SALES TAX	
---	--

<u>Key Steps and Tasks for VAT, GST, or Sales Tax</u>	<u>Hours per year</u>
--	------------------------------

--	--

Total Time for VAT, GST, or Sales Tax (in Hours)	0
---	---

Notes or comments (if any):	
------------------------------------	--

PART III - LABOR TAXES AND CONTRIBUTIONS (where applicable)	
--	--

<u>Key Steps and Tasks for Labor Taxes and Contributions</u>	<u>Hours per year</u>
---	------------------------------

--	--

Total Time for Labor Taxes and Contributions (in Hours)	0
--	---

Notes or comments (if any):

PART IV - OTHER TAXES

Please list any other taxes that involve compliance activities for a farm of this size. For example, these may include property taxes, municipal taxes, and harvest taxes/cess/ agricultural levies. As in Parts I-III, please indicate the key steps and tasks required to prepare, file, and pay those taxes as well as the total hours per year.

NOTE: Please **ONLY** include taxes that are not already listed above in Parts I-III and for which the compliance burden is comparable to the taxes listed in Parts I-III. **If there are no other burdensome taxes, please leave this section blank.**

<u>Key Steps and Tasks for: (insert name of tax)</u>	<u>Hours per year</u>
Total Time	0

Notes or comments (if any):

<u>Key Steps and Tasks for: (insert name of tax)</u>	<u>Hours per year</u>
Total Time	0

Notes or comments (if any):

PART V - ADDITIONAL QUESTIONS REGARDING TIME

Please indicate how common it is for tax returns submitted to the tax authority to be rejected and to require follow-up actions. Please use the following scale:
1 = not an issue, 2 = happens sometimes, 3 = regular requirement, 4 = always a requirement

Notes or comments (if any):

Taxable Income

INSTRUCTIONS. For purposes of AGRI Index rankings, the total tax rate applicable to TaxPayerFarm is calculated as a percentage of commercial profit. **Commercial profit** is defined as sales minus cost of goods sold, minus gross salaries, minus administrative expenses, minus other expenses, minus provisions, and minus commercial depreciation. For purposes of standardization, TaxPayerFarm's commercial profit is assumed to be **60*GDP per capita**. The total tax rate as a percent of profit will be calculated by the AGRI Index team. Much of the DP information required to calculate the total tax rate has been provided in other sections of this survey. However, please provide the information requested below that will allow the AGRI Index team to calculate TaxPayerFarm's taxable income.

Taxable Income. Taxable income is generally defined as gross revenue minus permitted deductions. The questions below are intended to determine TaxPayerFarm's taxable income under the laws of your country. TaxPayerFarm's gross revenue from sales of its agricultural products is assumed to be **650*GDP per capita**. Assume that TaxPayerFarm has received no other revenue from any sources.

Deductions. Listed below are common deductions from gross revenue in the form of expenses, provisions, depreciation/amortization, deductible taxes, and loss carryforwards. The value of each of these items has been assumed as part of the Case Study Assumptions, and the assumed amount is provided below. For each, please indicate whether this item is deductible by TaxPayerFarm and to what extent. **Please refer to the Case Study Assumptions for more information on each expense, provision, asset, and loss.** If additional assumptions are required, please include explanatory comments in the "Notes" column.

Taxable Income:	BDT	17,145,050
Gross Domestic Product per capita:	BDT	26,377

A. Revenue

<u>Type of Revenue</u>	<u>*GDP per capita</u>	<u>Assumed Amount of Revenue</u>				<u>Notes</u>
Sales	650	BDT 17,145,050				

B. Tax-Deductible Expenses and Provisions

Please confirm the amount of each of the following expenses or provisions that are deductible in computing the income tax of TaxPayerFarm, noting the total amount of deductions allowed per year.

<u>Type of Expense</u>	<u>*GDP per capita</u>	<u>Assumed Amount of Expense</u>	<u>Deduction Allowed? (Yes/No)</u>	<u>Percent Deductible</u>	<u>Amount Deductible</u>	<u>Notes</u>
Cost of Goods Sold	540	BDT 14,243,580			BDT -	
Wages	24	BDT 633,048			BDT -	
Administrative Expenses	10	BDT 263,770			BDT -	
Start-up Expenses	1	BDT 26,377			BDT -	
Leasing Expenses	1	BDT 26,377			BDT -	
Insurance Premium - Outbuildings	0.6	BDT 15,826			BDT -	
Accountancy Fees	1.5	BDT 39,566			BDT -	
Machinery Repair Expenses	2	BDT 52,754			BDT -	
Owner's Expenses	0.02	BDT 528			BDT -	
Fuel Expenses (if applicable)	0.5	BDT 13,189			BDT -	
Provision for maintenance and repairs	0.6	BDT 15,826			BDT -	
Total Deductions					BDT -	

C. Depreciation and Amortization

0					BDT	-	
0					BDT	-	
0					BDT	-	
0					BDT	-	
0					BDT	-	
Total Deductible Taxes					BDT	-	

F. Additional Deductions from Gross Income

Please indicate whether there are any additional deductions allowed to TaxPayerFarm not captured in the categories above (e.g. farmworks deductions, housing benefits) and/or for which sufficient information was not provided in the Case Study Assumptions. Please describe the type of deduction, the amount deductible, and any assumptions necessary to calculate the amount deductible.

<u>Type of Deduction</u>		<u>Assumed Value of Item</u>	<u>Deduction Allowed? (Yes/No)</u>	<u>Percent Deductible</u>	<u>Amount Deductible</u>	<u>Assumptions Needed to Calculate this Deduction</u>	<u>Notes</u>
					BDT	-	
					BDT	-	
					BDT	-	
					BDT	-	
					BDT	-	
					BDT	-	
					BDT	-	
Total Additional Deductions					BDT	-	

AGRI Index Indicators

Here, we indicate how the indicators that we publish are computed. You should not edit this page as the information is obtained from (linked to) the input sheets (numbered) that you have already updated. We encourage you to provide comments in the "Notes" or "Comments" sections and review the information displayed, and let us know if there any errors (e.g. incorrect statutory rates) so that we can correct such errors as we process the survey. **Thank you very much for completing this survey and participating in AGRI Index!**

Bangladesh

<u>Tax</u>	<u>Payments (number)</u>	<u>Time (hours)</u>	<u>Statutory tax rate</u>	<u>Tax base</u>	<u>Total tax</u>	<u>Notes</u>	<u>Commercial profit</u>
0	0		0.0%	0			BDT 1,582,620
0	0		0.0%	0			
0	0		0.0%	0			Total tax rate (% of profit)
0	0		0.0%	0			0.0%
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
0	0		0.0%	0			
Total	0	0			BDT	-	
Notes or comments (if any)							



Trading Agricultural Goods Survey – [COUNTRY]

Dear Contributor,

Thank you for participating in the Agribusiness Regulation and Institutions (AGRI) Index pilot project. Your input and expertise in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) project.

The goal of the AGRI Index is to develop a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The AGRI Index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulations that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Trading Agricultural Goods” indicator is one of 8 indicators of the AGRI Index. The following survey measures the time, cost, procedures, and documentation for exporting and importing standard agricultural goods. The intent of gathering this information is to identify areas where regulatory and administrative procedures can be improved and streamlined, based on real-world data provided by experts such as yourself.

For the AGRI Index survey, we ask that you please:

- Carefully review the assumptions of the case study before completing the survey
- Respond to the survey questions based on your experiences working with agribusinesses
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by [DATE] to ichien@fintrac.com, nrindler@fintrac.com or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Nate Kline, Chief of Party
USAID-Enabling Agricultural Trade (EAT) project

Primary Contributor Information

Please provide the following information for the primary contributor completing this survey. We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.

Name	Title (Mr., Mrs., Ms., etc.):	[]
	First Name:	[]
	Last Name:	[]
	Position (e.g. manager, associate, partner):	[]
	Profession (e.g. lawyer, judge, association member):	[]
Contact Details	Company name:	[]
	E-mail address:	[]
	Phone:	[]
	Fax:	[]
	Website:	[]
Company Address	Street:	[]
	City:	[]
	P.O. Box:	[]
	State/Province:	[]
	Zip/Postal Code:	[]
	Country:	[]

Additional Contributors

Please provide the following information for any additional contributors who assisted in completing this survey.

Name	Occupation	Email	Phone	Address (if different from above)
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]

Case Study Assumptions

Please provide responses to the survey questions based on the case study assumptions below.

Destination	Company AG, located in the [COMMERCIAL CAPITAL OF THE COUNTRY], seeks to trade with [COUNTRY]'s largest overseas trading partner via ocean transportation through the main port. The port may be located in another city or country.	
	Most commonly used seaport by traders in [COMMERCIAL CAPITAL OF THE COUNTRY]:	[]
	For landlocked countries, most commonly used inland border post by traders in [COMMERCIAL CAPITAL]:	[]
Export Product: Agricultural Commodity	A widely-traded agricultural commodity grown in [COUNTRY]. The commodity is not highly-perishable and not refrigerated. Product is exported in a 40-foot ocean container and packed into 50-kg sacks, 400 such sacks (on pallets of 20 sacks each) per container. The shipment is valued at US\$20,000 and does not require refrigeration.	
	Widely-traded nonperishable good (i.e. grains, pulses, oilseeds, peanuts):	[]
Import Product: Hybrid Seed	Product is imported in a 40-ft ocean container and packed into 20-kg sacks, 400 such sacks (on pallets of 20 sacks each) per container. The shipment is valued at US\$20,000.	
Carrier	Global ocean transportation company providing port-to-port service to many points from the port of origin.	
Company AG	<ul style="list-style-type: none"> • Is primarily engaged in overseas trade of agricultural imports and exports. • Employs 40 workers or more throughout the country. • Based in [COMMERCIAL CAPITAL OF THE COUNTRY]. • Is a private, limited liability company, registered and operating under the commercial laws of the country. • Is majority domestically-owned. • Does not operate within an export processing zone with special export or import privileges. 	

Definitions

Documents: All licenses, permits and documents required per shipment to export and import the goods are recorded. Documents required for trading and for clearance by government ministries, customs authorities, port and container terminal authorities, and health and technical control agencies are taken into account – for example, phytosanitary certificates and certificates of origin. Documents that are renewed annually (for example, a trading license) are not included.

Time: Recorded in **calendar days** and measures the average time required for a procedure from the moment it is initiated and until it is completed. Includes the time to fill out, obtain (if applicable), and submit documents and waiting time between procedures — for example, during unloading of the cargo or for inspections. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. Where necessary, please specify if the time for a given task is measured in hours.

Cost: Please provide official costs in US\$ equivalent. All fees associated with completing the procedures to export or import the goods are included. These may include costs for export and import licenses, documents, administrative fees for customs clearance and technical control, customs broker fees, terminal handling charges and inland transport.

A. Exporting an Agricultural Commodity

Please provide details on the typical procedures, time, cost, and documentation for the export of the product described in the case study. If significant delays are typically experienced, please note the cause of such delays in the “Comments” sections – for example, lack of trained inspectors at port, or roads to port are in disrepair.

1. License and Document Preparation

Please include all applicable documentation, including documents generated by the exporter or the shipper, required for trading and for clearance by government ministries, customs authorities, port and container terminal authorities, and health and technical control agencies. List each necessary document separately, such as phytosanitary certificate, certificate of origin, certificate of conformity, packing list, road manifesto, commercial invoice, export permit or customs export declaration, inspection results, terminal handling receipts, or bill of lading, among others.

Export Licenses and Documents				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (US\$) <i>Doc. fees</i>
<i>Example: Export permit</i>	<i>Ministry of Agriculture</i>	<i>Customs official</i>	<i>2</i>	<i>\$10</i>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
Total time and cost for document preparation			[] days	[] USD
• Which documents can be obtained simultaneously?				
Comments: []				

2. Inland transportation and handling

Export Time	Time (days)
1. Time to arrange inland transportation and load onto truck/train at Company AG’s warehouse	
2. Inland transportation time from COMMERCIAL CAPITAL OF THE COUNTRY to seaport	
3. For landlocked countries, specify waiting time in queue at inland border post (average, minimum, maximum time)	

4. For landlocked countries, please specify time for customs clearance and other inspections at the inland border post (average, minimum, maximum time)	
5. TOTAL time for all the above	
Export Cost	Cost (US\$)
6. For landlocked countries, please specify customs and other fees (excluding tariffs and bribes) at inland border post	
7. TOTAL inland transportation and handling (<i>loading and unloading</i>) costs, including fuel and labor, freight forwarder fees, and customs fees for landlocked countries, as applicable	
Comments: []	

3. Customs clearance and other inspections

Please describe the typical customs clearance procedures, including any relevant cargo inspections. For any applicable inspections list the **total average time in practice**, including wait time for inspectors and payment time. Please elaborate on customs procedures in the Comments box.

Export Time	Time (days)
1. Queue/wait time at customs	
2. Quality/standards inspections	
3. Customs tax/duty valuation inspection	
4. Health & safety inspection	
5. Security inspections (when carried out) and pre-shipment inspection	
6. Other, please specify:	
7. Average TOTAL time for customs clearance (from document submission to cargo release)	
8. Minimum and maximum TOTAL time for customs clearance (from document submission to cargo release)	
9. Which activities above are carried out simultaneously?	
Comments: []	
Export Cost (excluding tariffs and bribes)	Cost (US\$)
10. Administrative charges for customs clearance	
11. Customs brokers charges	
12. Inspection fees	
13. Other, please specify:	
14. TOTAL cost for all above	
15. Are informal facilitation payments (e.g. bribes) common for clearing export goods?	
Comments: []	

4. Port and terminal handling (at the port indicated in the case study)

Export Time

1. Port and terminal handling (e.g. movement of container)	
2. Waiting time before next ship departs	
3. Loading containers onto vessel	
4. TOTAL time for all the above	
5. Which activities above are carried out simultaneously?	
Export Cost (excluding tariffs and bribes)	
6. TOTAL port costs, including terminal handling charges	
Comments: []	

B. Import of Hybrid Seed

Please provide details on the procedures, time, cost, and documentation for the import of hybrid seed as described in the case study. If significant delays are typically experienced, please note the cause of such delays in the “Comments” sections – for example, import shipments are sent to another location for testing for customs clearance, lack of trained inspectors at port, or roads from port are in disrepair.

1. Seed Policy and Market Structure

Question	Response	Comments
5. Does the public sector import seed, either directly by government agencies or parastatals, or indirectly through procurement contracts with private firms?	[] YES [] NO	[]
a. If YES, are private firms also allowed to import seed without undue government restrictions?	[] YES [] NO	[]
6. Is there a monopoly or duopoly in seed imports? (i.e. one or two private or public importers control 75% or greater market share)	[] YES [] NO	[]
7. Are import licenses required for companies to import hybrid seed, and are they cumbersome or pose a barrier to trade?	[] YES [] NO	[]
8. Are seed imports subject to an import duty? If YES, please list the amount of the duty or tax in the comments box.	[] YES [] NO	[]

2. License and Document Preparation

Please include all licenses, permits and documents required per shipment, including documents generated by the importer, shipper, or the exporter in the country of origin. Include documents required for trading and for clearance by government ministries, customs authorities, port and container terminal authorities, and health and technical control agencies. **List each necessary document separately**, such as phytosanitary certificate, certificate of origin, certificate of conformity, packing list, road manifesto, commercial invoice, import permit or customs import declaration, inspection results, terminal handling receipts, or bill of lading, among others.

Import Documents/Licenses				
Document	Obtained from:	Submitted to:	Time (days) <i>Specify if in hours</i>	Cost (US\$) <i>Doc. fees</i>
<i>EXAMPLE: Import permit</i>	<i>Chamber of Commerce</i>	<i>Customs official</i>	2	10
3.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
Total time and cost for document preparation			[] days	[] USD
• Which documents can be obtained simultaneously?				
Comments: []				

3. Port and terminal handling (at the port indicated in the case study)

Import Time	
7. Vessel waiting time outside port before entering seaport	
8. Vessel berthing and unloading of vessel at seaport	
9. Port and terminal handling (e.g. container movement and dwell time, warehousing, etc.)	
10. TOTAL time for all of the above	
11. Which activities above are carried out simultaneously?	
Import Cost	
12. TOTAL port costs, including terminal handling charges	
Comments: []	

4. Customs clearance and inspection

Please describe the typical customs clearance procedures, including any relevant cargo inspections. For any applicable inspections list the **total average time in practice**, including wait time for inspectors and payment time. Please elaborate on customs procedures in the Comments box.

Import Time	
16. Queue/wait time at customs	
17. Quality/standards inspections	
18. Customs tax/duty valuation inspection	
19. Health & safety inspection	
20. Security inspections (when carried out) and pre-shipment inspection	
21. Other, please specify:	
22. Average TOTAL time for customs clearance (from document submission to cargo release)	

23. Minimum and maximum TOTAL time for customs clearance (from document submission to cargo release)	
24. Which activities above are carried out simultaneously?	
Comments: []	
Import Cost	
25. Administrative charges for customs clearance	
26. Customs brokers charges	
27. Inspection fees	
28. Other, please specify:	
29. TOTAL cost for all the above	
30. Are informal facilitation payments (e.g. bribes) common for clearing import goods?	
Comments: []	

5. Inland transportation and handling

Import Time	
3. Time to arrange inland transportation and load cargo onto truck	
4. Inland transportation from port to warehouse in [COMMERCIAL CAPITAL OF THE COUNTRY]	
5. For landlocked countries, specify waiting time in queue at inland border post (average, minimum, maximum time)	
6. For landlocked countries, please specify time for customs clearance and other inspections at the inland border post (average, minimum, maximum time)	
8. TOTAL time for all the above	
Import Cost	
9. For landlocked countries, please specify customs and other fees (excluding tariffs and bribes) at inland border post	
10. TOTAL inland transportation and handling (<i>loading and unloading</i>) costs, including fuel and labor, freight forwarder fees, and customs fees for landlocked countries, as applicable	
Comments: []	

Referrals

Please help us gather additional data for this pilot by referring us to other experts in the private and public sector that are well-suited for completing the “Trading Agricultural Goods” survey for the agricultural sector.

	First Name	Last Name	Company	Position	Phone	Email
International freight forwarders	[]	[]	[]	[]	[]	[]
Customs brokers	[]	[]	[]	[]	[]	[]
Port officials	[]	[]	[]	[]	[]	[]
Import and export-based agribusinesses	[]	[]	[]	[]	[]	[]
Government officials from revenue authority, trade promotion agency	[]	[]	[]	[]	[]	[]
Others: []	[]	[]	[]	[]	[]	[]

Thank you very much for completing the survey!

Your participation in the AGRI Index pilot to gather important information on the regulatory environment for agribusinesses is greatly appreciated.



Resolving Contract Disputes Survey – [COUNTRY]

Dear Contributor,

Thank you for participating in the Agribusiness Regulation and Institutions (AGRI) Index pilot project. Your input and expertise in the agricultural sector is critical to the success of the AGRI Index, a USAID-funded pilot being implemented by the Enabling Agricultural Trade (EAT) project.

The goal of the AGRI Index is to develop a cross-country benchmarking tool to identify and measure key regulatory and administrative burdens faced by agribusinesses. The AGRI Index will provide an objective basis for understanding and improving the enabling environment for agribusinesses through discrete, quantifiable indicators that capture the impact of regulations that apply throughout the lifecycle of an agribusiness. The AGRI Index is intended to be used by governments around the world to inform policy and regulatory reform in the agricultural sector.

The “Resolving Contract Disputes” indicator is one of 8 indicators of the AGRI Index. The following survey assesses the procedures, time and cost required to resolve a contract dispute using an alternative mechanism to the formal court system as well as the availability of alternative mechanisms that are accessible to agribusinesses, both critical components for effective contract enforcement. The intent of gathering this information is to identify areas where regulatory and administrative procedures can be improved and streamlined, based on real-world data provided by experts such as yourself.

For the AGRI Index survey, we ask that you please:

- Carefully review the assumptions of the case study before completing the survey
- Respond to the survey questions based on your experiences working with agribusinesses or in the judicial system
- Provide any necessary explanations and references to applicable laws and regulations

We would greatly appreciate if you could return the completed survey by [DATE] to jchien@fintrac.com, nrindler@fintrac.com or bgitau@fintrac.com.

Thank you again for your important contribution towards improving the agribusiness enabling environment.

Best regards,

Nate Kline, Chief of Party
USAID-Enabling Agricultural Trade (EAT) project

Primary Contributor Information

Please provide the following information for the primary contributor completing this survey. We plan to publish the name, title and organization of contributors in the AGRI Index report. If you do not want your name published, please let us know.

Name	Title (Mr., Mrs., Ms., etc.):	[]
	First Name:	[]
	Last Name:	[]
	Position (e.g. manager, associate, partner):	[]
	Profession (e.g. lawyer, judge, association member):	[]
Contact Details	Company name:	[]
	E-mail address:	[]
	Phone:	[]
	Fax:	[]
	Website:	[]
Company Address	Street:	[]
	City:	[]
	P.O. Box:	[]
	State/Province:	[]
	Zip/Postal Code:	[]
	Country:	[]

Additional Contributors

Please provide the following information for any additional contributors who assisted in completing this survey.

Name	Occupation	Email	Phone	Address (if different from above)
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]
[Title] [First Name] [Last Name]	[Firm] [Position] [Profession]	[]	[]	[Street] [State/Province] [City/Country]

Case Study Assumptions

You are following all procedures necessary to enforce a contract between a wholesaler and a farmers' cooperative in the alternative mechanism to the formal court system (i.e. small claims court, commercial court or alternative dispute resolution) most commonly used for disputes such as the one described. Please always refer to the case study when describing a procedure in **Section A** of the survey.

<p>The Contract</p>	<ul style="list-style-type: none"> • Seller, a farmers' cooperative, enters into a contract with and sells goods worth [200*GDP per capita] to Buyer, a wholesaler, subject to a pre-harvest advance. • Both Seller and Buyer are located in a peri-rural area (i.e. a rural area within 100km of and with relatively easy access to [MAIN COMMERCIAL CENTER]) in [PROVINCE], the main province producing the most widely traded staple grain in the country.
<p>The Breach</p>	<ul style="list-style-type: none"> • Seller fails to deliver the crop because it has sold the crop for which it received the advance to another buyer at a higher price than the one negotiated in the contract with Buyer.
<p>The Dispute</p>	<ul style="list-style-type: none"> • Buyer takes action against Seller for the return of the advance and for additional damages incurred as a result of Buyer's reliance on Seller's agreement to sell its crop to Buyer in an alternative mechanism to the formal court system. • Seller opposes Buyer's claim, saying that the contract had been modified orally, when Seller informed Buyer early in the growing season that it would sell the goods elsewhere if it could get a better price.
<p>The Decision</p>	<ul style="list-style-type: none"> • The decision is 100% in favor of Buyer.

Definitions

Procedure: Any interaction of Buyer with external parties, including government agencies, lawyers, notaries, mediators, arbitrators, or judges. Interactions among the manager or employees of Buyer are not counted as procedures. All procedures that are legally or in practice required for Buyer to resolve the dispute with Seller in the alternative forum are counted.

Time: Recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of a document or request and ends once the Seller has received a final document or action. For example, it includes the time to make an appointment with a notary or any waiting time once documents are filed. Where the time required to complete a procedure is highly unpredictable, provide a range from low to high in addition to the median. The minimum time for a procedure is 1 day.

Costs: Only include **official fees and taxes**. Bribes are excluded. If possible, please indicate the relevant fee schedule or calculation formula. Professional fees (notaries, lawyers or accountants) are only included if Seller is required to use such services by law.

Agency: Indicate name and level of agency (Municipal/City, Regional/State, National, or Private Professional).

A. Resolving Contract Disputes

Please respond to the questions regarding the alternative mechanism to the formal court system most likely to be used in practice for the type of dispute described in the Case Study Assumptions above (i.e. small claims court, commercial court, alternative dispute resolution, etc.) and describe the full sequence of procedures required to take action against the Seller in such alternative mechanism. These procedures may include bringing the claim to the alternative mechanism, attaching to Seller’s movable assets, hearing evidence and witnesses, receiving a decision, and enforcing such decision, as applicable according to the rules of the alternative mechanism used.

Please include references to applicable laws and regulations and any additional assumptions or necessary explanatory details. Add boxes for additional procedures as needed.

Question	Response	Comments
1. Please select the alternative mechanism most likely to be used for the dispute described in the Case Study Assumptions:		
a. Small Claims Court	<input type="checkbox"/>	[]
b. Commercial Court	<input type="checkbox"/>	[]
c. Specialized Agricultural Court	<input type="checkbox"/>	
d. Alternative Dispute Resolution (specify whether arbitration, mediation, or other): []	<input type="checkbox"/>	[]
e. Other: []	<input type="checkbox"/>	[]
f. No such alternative mechanisms exist	<input type="checkbox"/>	[]
2. What is the jurisdiction of the alternative mechanism selected in Question 1?	[]	[]
3. What are the minimum and maximum amounts in controversy, if any, that can be heard in the alternative mechanism selected in Question 1?	LCU [] <input type="checkbox"/> N/A	[]

Procedure 1	[Name of procedure]
Time	[] days
Cost	[]
Details	[]

Procedure 2	[Name of procedure]
Time	[] days
Cost	[]
Details	[]

Procedure 3	[Name of procedure]
Time	[] days
Cost	[]
Details	[]

Procedure 4	[Name of procedure]
Time	[] days
Cost	[]
Details	[]

B. Dispute Resolution Mechanisms Index

Please respond to the following survey questions assessing agribusinesses’ access to alternative mechanisms to the formal court system to resolve contract disputes, a critical component for effective contract enforcement. Please include references to applicable laws and regulations and any necessary explanatory comments.

Question	Response	Comments
1. Do alternative mechanisms to the formal court system to resolve contract disputes (i.e. small claims courts, commercial courts, alternative dispute resolution) adequately apply standard contract law principles?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
2. Are the costs entailed in using such alternative mechanisms reasonable and not prohibitive (ex. total costs do not exceed the amount in dispute)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
2.a. Are the costs typically less than that of the formal court system?		
3. Is there a threshold amount in controversy for disputes to be heard in such alternative forums that poses an entry barrier to small or medium-sized formal agribusinesses?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
4. Are alternative mechanisms typically faster than the formal court system, with streamlined and simplified procedures?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
5. Are alternative mechanisms readily available outside of [CAPITAL CITY]?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]
6. Are rulings through alternative mechanisms upheld in and enforced by the formal court system?	<input type="checkbox"/> YES <input type="checkbox"/> NO	[]

Referrals

Please help us gather additional data for this pilot by referring us to other experts in the private and public sector who are well-suited for completing the “Resolving Contract Disputes” survey for the agricultural sector.

	First Name	Last Name	Company	Position	Phone	Email
Litigation lawyers	[]	[]	[]	[]	[]	[]
Lawyers specialized in contract law	[]	[]	[]	[]	[]	[]
Judges, arbitrators or mediators	[]	[]	[]	[]	[]	[]
Others: []	[]	[]	[]	[]	[]	[]

Thank you very much for completing the survey!

Your participation in the AGRI Index pilot to gather important information on the regulatory environment for agribusinesses is greatly appreciated.

Annex 3: Round 1 and Round 2 Contributors

Bangladesh Contributor List

Type of Contributor	Topic	Survey	Interview
Seed Company / Seed Association	Obtaining Inputs	Survey	Interview
Seed Company	Obtaining Inputs	Survey	
Seed Company	Obtaining Inputs	Survey	
Fertilizer Company	Obtaining Inputs	Survey	Interview
Seed Association	Obtaining Inputs		Interview
Government - Inputs	Obtaining Inputs	Survey	Interview
Fertilizer Company	Obtaining Inputs	Survey	Interview
Pesticide Company	Obtaining Inputs	Survey	
Pesticide Company	Obtaining Inputs	Survey	
Seed Company	Obtaining Inputs	Survey	
Agribusiness	Obtaining Inputs	Survey	
Government - Pesticide	Obtaining Inputs		Interview
NGO - Seed	Obtaining Inputs		Interview
Government - Inputs	Obtaining Inputs, Trading Agricultural Goods		Interview
Multisector Industrial Group	Starting and Operating a Farm	Survey	
Agribusiness Association	Starting and Operating a Farm	Survey	
Farmer Cooperative	Starting and Operating a Farm	Survey	
Government - Labor	Employing Agricultural Workers		Interview
Law Firm	Employing Agricultural Workers, Resolving Contract Disputes	Survey (2)	Interview
Law Firm	Employing Agricultural Workers, Resolving Contract Disputes		Interview
Government - Land	Accessing Rural Land	Survey	Interview
Government - Land	Accessing Rural Land		Interview

Law Firm	Accessing Rural Land	Survey	
Government - Land	Accessing Rural Land	Survey	
Bank	Accessing Rural Land, Accessing Finance	Survey	Interview
Bank	Accessing Rural Land, Accessing Finance		Interview
Bank	Accessing Finance	Survey	Interview
Bank	Accessing Finance		Interview
Bank	Accessing Finance	Survey	
Financial Institution	Accessing Finance	Survey	
Bank	Accessing Finance	Survey	
Tax Firm	Complying With Taxes	Survey	
Tax Firm	Complying With Taxes	Survey	
Tax Firm	Complying With Taxes		Interview
Exporter	Trading Agricultural Goods	Survey	
Trader	Trading Agricultural Goods	Survey	
Exporters Association	Trading Agricultural Goods	Survey	
Government - Trade	Trading Agricultural Goods		Interview
Agribusiness	Trading Agricultural Goods		Interview
Freight Forwarder	Trading Agricultural Goods		Interview
Agribusiness	Trading Agricultural Goods	Survey	
Law Firm	Resolving Contract Disputes		Interview
Multisector Industrial Group	Multiple		Interview
Agribusiness	Multiple		Interview

Total Number of Contributors	44
Total Surveys	29
Total Stakeholders Interviewed	24

Kenya Contributor List

Type of Contributor	Topic	Survey	Interview
Government - Trade	Starting a Business	Survey (2)	
Chamber of Commerce	Starting a Business	Survey	Interview
Government - Investment	Starting a Business, Protecting Investors		Interview
Government - Investment	Starting a Business, Protecting Investors		Interview
Government - Investment	Starting a Business, Protecting Investors		Interview
Government - Investment	Starting a Business, Protecting Investors		Interview
Government - Investment	Starting a Business, Protecting Investors		Interview
Chamber of Commerce	Dealing with Licenses	Survey	Interview
Seed Association	Dealing with Licenses		Interview
Agrochemical Association	Dealing with Licenses		Interview
Seed Company	Dealing with Licenses		Interview
Government - Agriculture	Dealing with Licenses, Registering Property	Survey	Interview
Exporter Association	Dealing with Licenses, Trading Across Borders		Interview
Exporter Association	Dealing with Licenses, Trading Across Borders		Interview
Employer Association	Employing Workers		Interview
Bank	Getting Credit	Survey	Interview
Microfinance Institution	Getting Credit	Survey	
Bank	Getting Credit		Interview
Consultant	Getting Credit	Survey	
Bank	Getting Credit	Survey	
Farmer Association	Getting Credit	Survey	Interview
Law Firm	Getting Credit	Survey	
Farmer Association	Getting Credit		Interview
Tax Firm	Paying Taxes		Interview
Tax Firm	Paying Taxes		Interview
Government - Trade	Trading Across Borders		Interview

Trade Association	Trading Across Borders		Interview
Government - Horticulture	Enforcing Contracts, Trading Across Borders, Dealing with Licenses		Interview
NGO - Agriculture & Trade	Multiple		Interview
Agribusiness	Multiple		Interview
Law Firm	Multiple		Interview
Law Firm	Multiple	Survey (5)	Interview
Law Firm	Multiple	Survey (5)	Interview
NGO - Agriculture & Trade	Multiple		Interview
Business Advisory Firm	Resolving Insolvency		Interview

Total Number of Contributors	35
Total Surveys	21
Total Stakeholders Interviewed	30

Nepal Contributor List

Type of Contributor	Topic	Survey	Interview
Seed Company / Seed Association	Obtaining Inputs	Survey	Interview
Agribusiness	Obtaining Inputs	Survey	
Seed Company	Obtaining Inputs	Survey	Interview
Seed and Pesticide Company	Obtaining Inputs		Interview
Pesticide Company	Obtaining Inputs		Interview
Multisector Industrial Group	Obtaining Inputs		Interview
Seed Company / Seed Association	Obtaining Inputs		Interview
Seed Company / Seed Association	Obtaining Inputs		Interview
Exporter Association	Obtaining Inputs, Trading Across Borders	Survey (2)	Interview
Agribusiness	Starting and Operating a Farm	Survey	
Agribusiness	Starting and Operating a Farm	Survey	Interview
Agribusiness	Starting and Operating a Farm	Survey	Interview
Chamber of Commerce - Agriculture	Starting and Operating a Farm, Multiple	Survey	Interview
Bank	Employing Agricultural Workers	Survey	
Law Firm	Employing Agricultural Workers	Survey	Interview
Law Firm	Employing Agricultural Workers	Survey	Interview
Research Organization	Employing Agricultural Workers, Accessing Rural Land	Survey (2)	
Government - Judiciary	Employing Agricultural Workers, Resolving Contract Disputes	Survey (2)	
Law Firm	Accessing Rural Land	Survey	
Government - Land	Accessing Rural Land	Survey	
Government - Land	Accessing Rural Land	Survey	
Law Firm	Accessing Rural Land	Survey	Interview
Government - Land	Accessing Rural Land		Interview

Law Firm	Accessing Rural Land, Accessing Finance, Resolving Contract Disputes	Survey (3)	Interview
Bank	Accessing Finance	Survey	
Law Firm	Accessing Finance	Survey	Interview
Bank	Accessing Finance	Survey	Interview
Bank	Accessing Finance	Survey	
Bank	Accessing Finance	Survey	
Bank	Accessing Finance	Survey	
Bank	Accessing Finance	Survey	
Bank	Accessing Finance		Interview
Law Firm	Accessing Finance	Survey	Interview
Bank	Accessing Finance	Survey	
Tax Firm	Complying With Taxes	Survey	
Tax Firm	Complying With Taxes	Survey	Interview
Tax Firm	Complying With Taxes	Survey	
Tax Firm	Complying With Taxes	Survey	
Research Organization	Complying With Taxes	Survey	
Tax Firm	Complying With Taxes	Survey	
Tax Firm	Complying With Taxes		Interview
Research Organization - Trade	Trading Agricultural Goods	Survey	
Trader	Trading Agricultural Goods	Survey	
Multisector Industrial Group	Trading Agricultural Goods	Survey	Interview
Agribusiness	Trading Agricultural Goods	Survey	Interview
Freight Forwarder	Trading Agricultural Goods	Survey	Interview
Freight Forwarder	Trading Agricultural Goods	Survey	
Government - Revenue	Trading Agricultural Goods	Survey	
Trader	Trading Agricultural Goods	Survey	
Agribusiness	Trading Agricultural Goods		Interview
Law Firm	Resolving Contract Disputes	Survey	
Law Firm	Resolving Contract Disputes		Interview
USAID Project	Multiple		Interview

Agribusiness Association	Multiple		Interview
Government - Investment	Multiple		Interview
Agribusiness	Multiple		Interview

Total Number of Contributors	59
Total Surveys	47
Total Stakeholders Interviewed	34

Uganda Contributor List

Type of Contributor	Topic	Survey	Interview
Government - Business Registration	Starting a Business	Survey	Interview
Chamber of Commerce	Starting a Business	Survey	Interview
Fertilizer Company	Dealing with Licenses		Interview
Seed Association	Dealing with Licenses	Survey	Interview
Agro-Input Dealer Association	Dealing with Licenses		Interview
Fertilizer Company	Dealing with Licenses		Interview
Government - Inputs	Dealing with Licenses		Interview
Agrochemical Association	Dealing with Licenses, Trading Across Borders		Interview
Agrochemical Association	Dealing with Licenses, Trading Across Borders		Interview
Law Firm	Employing Workers	Survey	Interview
Law Firm	Employing Workers	Survey	
Employer Association	Employing Workers	Survey	Interview
Law Firm	Employing Workers		Interview
Law Firm	Employing Workers	Survey	
Law Firm	Registering Property	Survey	Interview
Bank	Getting Credit		Interview
Commodities Exchange	Getting Credit		Interview
Consulting Firm	Getting Credit, Trading Across Borders	Survey	Interview
Tax Firm	Paying Taxes	Survey	Interview
Tax Firm	Paying Taxes		Interview
Trader	Trading Across Borders	Survey	Interview
Government - Export	Trading Across Borders	Survey	Interview
Exporter Association	Trading Across Borders	Survey	
Exporter Association	Trading Across Borders	Survey	
Trade Association	Trading Across Borders		Interview
Consultant	Trading Across Borders		Interview

Law Association	Enforcing Contracts		Interview
Law Firm	Resolving Insolvency		Interview
Law Firm	Multiple		Interview
Law Firm	Multiple		Interview
Law Firm	Multiple	Survey (8)	Interview
Law Firm	Multiple		Interview
Government - Regulatory Strategy	Multiple		Interview
Government - Regulatory Strategy	Multiple		Interview
Farmer	Multiple		Interview
Farmer	Multiple		Interview

Total Number of Contributors	36
Total Surveys	22
Total Interviews	32

Zambia Contributor List

Type of Contributor	Topic	Survey	Interview
Government - Investment	Starting a Business	Survey	Interview
Government - Investment	Starting a Business, Dealing with Licenses		Interview
Farmer Association	Starting a Business, Getting Credit		Interview
Government - Cooperatives	Dealing with Licenses	Survey	Interview
Government - Agriculture	Dealing with Licenses		Interview
Government - Agriculture	Dealing with Licenses	Survey	Interview
Government - Cooperatives	Dealing with Licenses		Interview
Agribusiness	Dealing with Licenses, Trading Across Borders		Interview
Agribusiness	Dealing with Licenses, Trading Across Borders		Interview
Government - Land	Registering Property	Survey	Interview
Bank	Getting Credit	Survey	Interview
Bank	Getting Credit	Survey	
Bank	Getting Credit	Survey	
Bank	Getting Credit	Survey	
Bank	Getting Credit	Survey	Interview
Bank	Getting Credit		Interview
Bank	Getting Credit	Survey	
Government - Commerce	Protecting Investors	Survey	
Government - Revenue	Paying Taxes	Survey	
Tax Firm	Paying Taxes		Interview
Tax Firm	Paying Taxes	Survey	
Tax Firm	Paying Taxes		Interview
Agribusiness	Paying Taxes	Survey	Interview
Trader	Trading Across Borders	Survey	Interview
Research Organization	Trading Across Borders		Interview

Trade Association	Trading Across Borders		Interview
Trade Association	Trading Across Borders	Survey	Interview
Exporter Association	Trading Across Borders		Interview
Tax Firm	Resolving Insolvency	Survey	Interview
Tax Firm	Resolving Insolvency		Interview
Tax Firm	Resolving Insolvency		Interview
Law Firm	Multiple		Interview
Consulting Firm	Multiple		Interview
Agribusiness	Multiple		Interview
Consulting Firm	Multiple		Interview
Government - Commerce	Multiple		Interview

Total Number of Contributors	36
Total Surveys	17
Total Interviews	29

ACKNOWLEDGEMENTS

The AGRI team is grateful for the input provided by our USAID advising team, including Steven Fondriest, Kelley Cormier, Wade Channell, Mark Huisenga, Deanna Gordon, Julie Howard, Elizabeth Diebold, and the many others whose support we have received. We appreciate the expert advice of Emmy Simmons, Louise Williams, Patrick Hanemann, Michael Ingram, Stephanie Haile, Mima Nedelcovych, and Joanne Cornelison during the development process.

This report was made possible by the participation of more than 200 lawyers, accountants, bankers, agribusinesses, private-sector representatives, and public officials in five countries. It was also made possible through collaboration with our local partners – the facilitators and institutions in each pilot country – and feedback from USAID Missions in Bangladesh, Kenya, Nepal, Uganda, and Zambia.

Finally, we'd like to thank our colleagues at the EAT project and our AGRI interns for their assistance and support throughout the pilot.

The Agribusiness Regulation and Institutions (AGRI) Index examines laws, regulations, and administrative practices that affect agribusiness performance around the world. This pilot report presents data collected from five countries and shares lessons learned in building the index. The AGRI Index's quantitative indicators create a framework for benchmarking the agribusiness enabling environment across countries and over time.

Nate Kline, Chief of Party
EAT/Fintrac
+1.202.621.7349
nkline@fintrac.com

Steven Fondriest, COR
USAID
+1.202.712.0314
stfondriest@usaid.gov

Kelley Cormier
USAID
+1.202.712.4492
kcormier@usaid.gov

This report was written by Jennifer Chien, Nadav Rindler, and Russell Brott, and produced by Fintrac Inc. for USAID's Enabling Agricultural Trade (EAT) project.

www.eatproject.org