

BEST COUNTRIES FOR BUSINESS

2012 Rank	2011 Rank	Country	Score	Degree of economic integration	Cost of setting up a business	Cost of labor & material	Cost of moving goods	Less-tangible costs	Readiness of local consumer base
1	1	Hong Kong	79.6%	75.3%	96.7%	61.8%	88.6%	79.7%	67.4%
2	3	United States	77.0%	82.1%	82.3%	76.7%	85.2%	67.2%	65.4%
3	7	Japan	75.6%	82.3%	70.8%	78.2%	81.1%	66.6%	80.0%
4	2	Netherlands	75.3%	70.1%	71.6%	69.0%	87.7%	78.6%	69.3%
5	6	Germany	74.6%	82.9%	61.8%	73.5%	87.4%	71.3%	75.2%
6	5	Australia	74.4%	79.2%	70.3%	73.0%	81.4%	73.1%	69.2%
6	12	Canada	74.4%	65.1%	71.8%	68.5%	86.2%	75.9%	74.0%
8	9	Singapore	74.0%	57.9%	90.4%	52.2%	87.9%	77.3%	66.7%
9	17	Denmark	73.8%	77.9%	84.4%	60.1%	73.2%	79.0%	66.7%
10	4	United Kingdom	73.4%	82.7%	69.0%	71.4%	81.7%	70.2%	66.7%
11	9	Austria	73.2%	79.2%	80.7%	66.8%	72.4%	71.0%	70.6%
12	14	Sweden	72.8%	78.2%	69.2%	70.8%	76.0%	73.3%	71.7%
13	13	Belgium	72.5%	70.7%	85.6%	68.6%	81.2%	58.3%	66.8%
14	8	France	71.9%	75.8%	72.1%	69.7%	81.5%	63.4%	69.7%
15	16	Finland	71.4%	75.1%	59.9%	68.1%	79.5%	76.9%	69.7%
16	21	Spain	71.0%	72.1%	66.8%	71.3%	81.5%	65.4%	67.4%
17	11	Switzerland	70.0%	71.3%	70.5%	65.3%	67.3%	76.3%	69.5%
17	24	United Arab Emirates	70.0%	69.1%	59.0%	64.3%	90.9%	71.0%	60.2%
19	18	Norway	69.8%	81.8%	66.9%	59.7%	67.5%	78.0%	72.2%
20	22	Poland	69.7%	77.0%	63.7%	71.2%	68.6%	67.9%	77.0%
21	29	South Korea	69.6%	56.2%	69.8%	72.9%	78.6%	63.6%	69.5%
22	26	Ireland	69.2%	54.5%	77.3%	63.4%	68.6%	79.0%	61.2%
23	20	Italy	68.6%	69.7%	77.8%	71.2%	70.4%	55.6%	66.8%
24	19	China	68.5%	80.3%	73.3%	70.8%	82.5%	43.7%	64.4%
24	15	Luxembourg	68.5%	39.1%	89.4%	45.9%	75.1%	81.1%	62.4%
26	22	Chile	67.9%	65.7%	74.1%	60.5%	72.6%	71.3%	56.7%
27	29	Qatar	67.1%	62.9%	63.7%	65.6%	76.5%	68.8%	59.3%
28	32	Malaysia	66.7%	73.7%	69.2%	63.5%	80.8%	52.8%	60.6%
29	37	New Zealand	66.3%	74.6%	68.6%	44.1%	74.5%	76.5%	60.7%
30	29	Portugal	66.1%	54.7%	74.3%	57.0%	73.4%	69.3%	58.1%
31	27	Hungary	65.8%	61.1%	73.3%	68.7%	58.1%	65.6%	65.9%
32	46	Cyprus	65.7%	55.5%	76.0%	49.6%	66.4%	72.9%	71.9%
33	34	Czech Republic	65.1%	68.7%	63.3%	70.0%	62.8%	60.4%	69.5%
34	25	South Africa	64.7%	56.5%	65.7%	71.0%	76.0%	59.2%	46.4%
35	55	Slovenia	63.9%	52.3%	65.6%	56.4%	68.9%	70.4%	63.8%
36	28	Latvia	63.5%	60.6%	74.7%	61.5%	66.3%	53.9%	61.7%
37	40	Lithuania	63.1%	57.6%	62.8%	62.9%	72.4%	54.6%	67.9%
38	41	Turkey	62.9%	70.4%	59.8%	66.9%	73.3%	41.5%	75.1%
39	59	Iceland	62.8%	36.0%	73.0%	46.4%	70.6%	73.5%	65.2%
39	41	Israel	62.8%	68.0%	67.8%	58.5%	65.1%	59.2%	58.5%
41	52	Mauritius	62.7%	34.7%	83.5%	47.9%	67.8%	62.8%	68.9%
42	44	Saudi Arabia	62.6%	67.3%	57.3%	61.9%	77.6%	54.3%	56.3%
43	43	Bulgaria	62.2%	65.9%	67.3%	62.9%	55.5%	59.2%	66.2%
43	34	Estonia	62.2%	57.6%	70.7%	55.8%	64.8%	60.3%	61.8%
43	53	Greece	62.2%	67.8%	59.2%	60.5%	64.5%	60.8%	64.0%
43	60	Thailand	62.2%	72.7%	74.1%	61.9%	73.3%	39.4%	51.6%
47	57	Bahrain	62.0%	53.8%	58.0%	47.4%	77.2%	76.0%	48.6%
47	32	Romania	62.0%	75.5%	54.6%	71.2%	56.7%	52.8%	74.2%
49	62	Croatia	61.9%	63.2%	65.1%	54.3%	63.4%	63.2%	63.9%
49	56	Peru	61.9%	60.4%	63.4%	66.5%	63.1%	54.6%	63.1%

METHODOLOGY: Countries are ranked on a scale from 0 to 100% on six factors.

1. Degree of economic integration (weighting of 10%)

Includes membership in the World Trade Organization; most-favored nation tariffs; correlation to the global market; market concentration; reach of global market research; and country risk.

2. Cost of setting up a business (20%)

Includes the costs, steps and time required, as well as financing a business and foreign direct investment.

3. Cost of labor & material (20%)

Includes cost of labor (productivity, compensation, health expenditures, firing costs, minimum wage and size of labor force) and cost of material (natural resource rate of depletion and natural resource rent).

4. Cost of moving goods (20%)

Includes import and export efficiencies, transportation efficiency, logistics performance, liner shipping connectivity and quality of port infrastructure.

5. Less-tangible costs (20%)

Includes corruption perception index, international property rights index, inflation, taxes and accounting adaptability.

6. Readiness of the local consumer base (10%)

Includes size of middle class, household consumption, tariff on imports and GDP per capita.

Scores for individual factors were calculated by using the percentage of the maximum for index-based and qualitative criteria. In the 2011 ranking, scores were calculated on a percentrank basis.

SOURCES: Bloomberg, CIA World Factbook, Conference Board, Heritage Foundation, International Monetary Fund, International Labor Organization, Transparency International, United Nations, World Bank, World Health Organization and World Trade Organization.

AS OF: January 9, 2013