

# DOING BUSINESS

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*Ease of Doing Business in*

## Mozambique

Select an economy

Select a topic



 Download Profile (<http://www.doingbusiness.org/~media/wbg/doingbusiness/documents/profiles/country/moz.pdf>)  
(1727.6KB, pdf)

Region	Sub-Saharan Africa
Income Category	Low income
Population	27,977,863
GNI Per Capita (US\$)	580
City covered	Maputo

190

1

**DB 2017 Rank**

1

## DB 2017 DTF (% points)

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Topics	DB 2017 Rank	DB 2016 Rank ⓘ	Change in Rank	DB 2017 DTF (% points) ⓘ	DB 2016 DTF (% points) ⓘ	Change in DTF (% points) ⓘ
Overall	137	134	↓ 3	53.78	53.82	↓ 0.04
<u>Starting a Business</u> ✕	134	121	↓ 13	79.86	80.23	↓ 0.37
<u>Dealing with Construction Permits</u>	30	29	↓ 1	77.85	77.58	↑ 0.27
<u>Getting Electricity</u>	168	166	↓ 2	42.65	43.37	↓ 0.72
<u>Registering Property</u>	107	104	↓ 3	58.76	58.99	↓ 0.23
<u>Getting Credit</u> ✓	157	152	↓ 5	25.00	25.00	-
<u>Protecting Minority Investors</u>	132	129	↓ 3	43.33	43.33	-
<u>Paying Taxes</u>	112	111	↓ 1	67.11	66.46	↑ 0.65
<u>Trading across Borders</u>	106	105	↓ 1	66.31	66.31	-
<u>Enforcing Contracts</u>	185	185	-	27.32	27.32	-
<u>Resolving Insolvency</u>	65	65	-	49.61	49.63	↓ 0.02

✓ = Doing Business reform making it easier to do business. ✕ = Change making it more difficult to do business.

[Click here to see all reforms made by Mozambique \(/reforms/overview/economy/Mozambique\).](/reforms/overview/economy/Mozambique)



Starting a Business  
(/data/ExploreEconomies/mozambique?topic=starting-a-business)



Dealing with Construction Permits  
(/data/ExploreEconomies/mozambique?topic=dealing-with-construction-permits)



Getting Electricity  
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Registering Property  
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Paying Taxes  
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Trading across Borders  
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Enforcing Contracts  
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Resolving Insolvency  
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Information ⓘ

[View details \(/data/ExploreEconomies/mozambique/protecting-minority-investors\)](/data/ExploreEconomies/mozambique/protecting-minority-investors)

[View methodology \(/Methodology/protecting-minority-investors\)](/Methodology/protecting-minority-investors)

[Compare all economies \(/data/ExploreTopics/protecting-minority-investors\)](/data/ExploreTopics/protecting-minority-investors)

2017 Rank: 132

2016 Rank: 129

Change in Rank: ↓ 3

2017 DTF (% points): 43.33

2016 DTF (% points): 43.33

Change in DTF (% points): 0.00

Indicator	Mozambique	Sub-Saharan Africa	OECD high income
Strength of minority investor protection index (0-10) ⓘ	4.3	4.3	6.5
Extent of conflict of interest regulation index (0-10) ⓘ	5.3	4.8	6.5
Extent of shareholder governance index (0-10) ⓘ	3.3	3.8	6.6

	Answer	Score
<b>Strength of minority investor protection index (0-10)</b>		<b>4.3</b>
<b>Extent of conflict of interest regulation index (0-10)</b>		<b>5.3</b>
<b>Extent of disclosure index (0-10)</b>		<b>5.0</b>
Which corporate body is legally sufficient to approve the Buyer-Seller transaction? (0-3)	Board of directors excluding interested members	2.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Existence of a conflict without any specifics	1.0
Must Buyer disclose the transaction in published periodic filings (annual reports)? (0-2)	Disclosure on the transaction only	1.0
Must Buyer immediately disclose the transaction to the public and/or shareholders? (0-2)	Disclosure on the transaction only	1.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
<b>Extent of director liability index (0-10)</b>		<b>4.0</b>
Can shareholders representing 10% of Buyer's share capital sue directly or derivatively for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold the interested director liable for the damage the transaction caused to Buyer? (0-2)	Liable if negligent	1.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if negligent	1.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	No	0.0
Is Mr. James disqualified or fined and imprisoned upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Only in case of fraud or bad faith	0.0
<b>Ease of shareholder suits index (0-10)</b>		<b>7.0</b>
Before suing can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	Yes	1.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	No	0.0

	Answer	Score
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
<b>Extent of shareholder governance index (0-10)</b>		<b>3.3</b>
<b>Extent of shareholder rights index (0-10)</b>		<b>6.0</b>
Does the sale of 51% of Buyer's assets require shareholder approval?	No	0.0
Can shareholders representing 10% of Buyer's share capital call for an extraordinary meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0
Must shareholders approve the election and dismissal of the external auditor?	No	0.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	No	0.0
Assuming that Buyer is a limited company, can members representing 10% call for an extraordinary meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all members consent to add a new member?	Yes	1.0
Assuming that Buyer is a limited company, must a member first offer to sell his interest to the existing members before selling to a non-member?	Yes	1.0
<b>Extent of ownership and control index (0-10)</b>		<b>3.0</b>
Is it forbidden to appoint the same individual as CEO and chair of the board of directors?	Yes	1.0
Must the board of directors include independent and nonexecutive board members?	No	0.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	No	0.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Must Buyer pay dividends within a maximum period set by law after the declaration date?	No	0.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	No	0.0
Assuming that Buyer is a limited company, is there a management deadlock breaking mechanism?	Yes	1.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law after the declaration date?	No	0.0
<b>Extent of corporate transparency index (0-10)</b>		<b>1.0</b>
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	No	0.0

	Answer	Score
Must Buyer disclose information about board members' other directorships as well as basic information on their primary employment?	No	0.0
Must Buyer disclose the compensation of individual managers?	No	0.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	Yes	1.0
Can shareholders representing 5% of Buyer's share capital put items on the agenda for the general meeting?	No	0.0
Must Buyer's annual financial statements be audited by an external auditor?	No	0.0
Must Buyer disclose its audit reports to the public?	No	0.0
Assuming that Buyer is a limited company, must members meet at least once a year?	No	0.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	No	0.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	No	0.0



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