

## RESOLVING INSOLVENCY

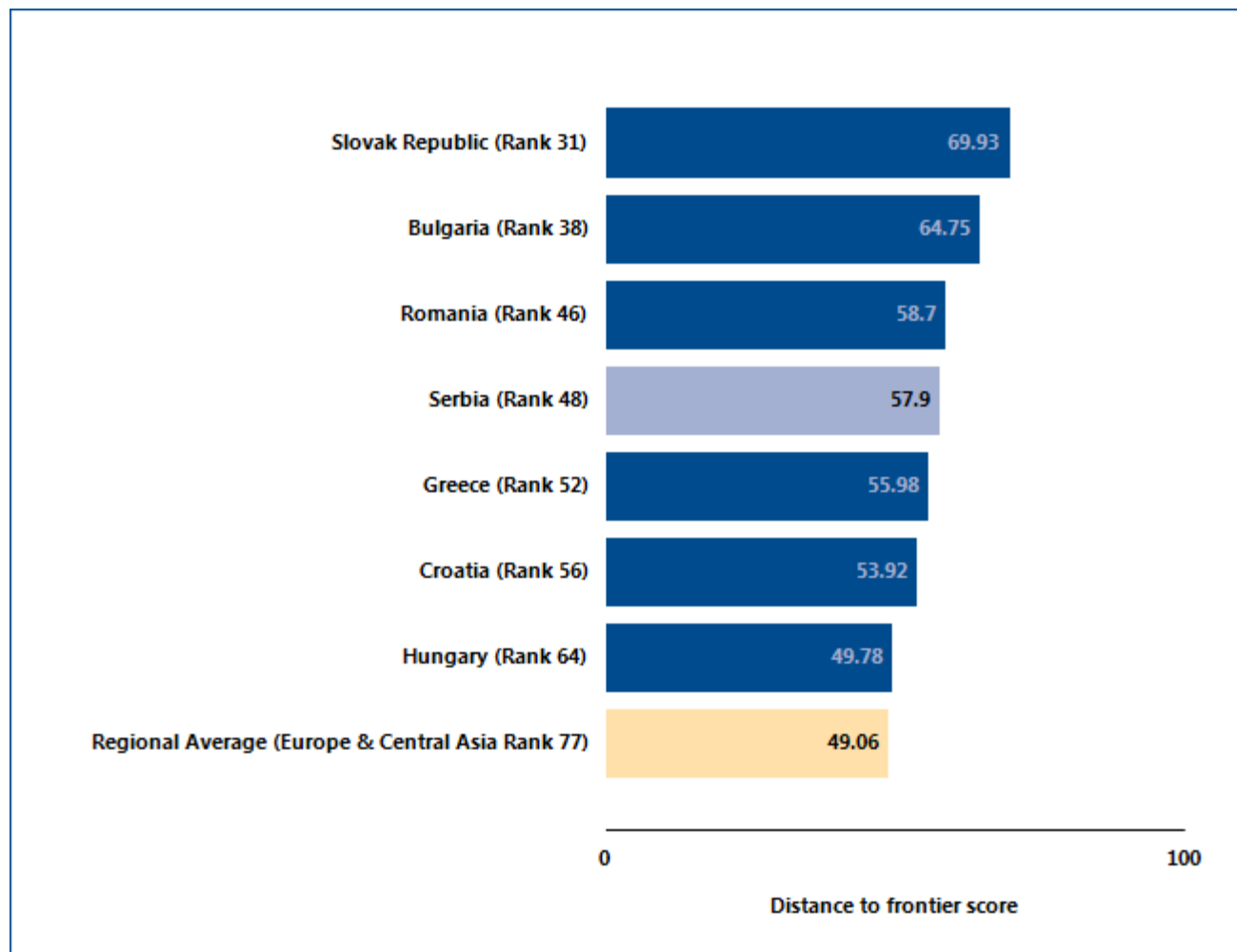
### Where does the economy stand today?

Combination of quality regulations and efficient practice characterize the top-performing economies. How efficient are insolvency proceedings in Serbia? According to data collected by *Doing Business*, resolving insolvency takes 2.0 years on average and costs 20.0% of the debtor's estate, with the most likely outcome being that the company will be sold as piecemeal sale. The average recovery rate is 29.2 cents on the dollar. Most indicator sets refer to a case scenario in the largest business city of an economy, except for 11 economies for which the data are a population-weighted average of the 2 largest business cities. See the chapter on distance to frontier and ease of doing business ranking at the end of this profile for more details.

According to data collected by *Doing Business*, Serbia scores 2.5 out of 3 points on the commencement of proceedings index, 6.0 out of 6 points on the management of debtor's assets index, 3.0 out of 3 points on the reorganization proceedings index, and 2.0 out of 4 points on the creditor participation index. Serbia's total score on the strength of insolvency framework index is 13.5 out of 16.

Globally, Serbia stands at 48 in the ranking of 189 economies on the ease of resolving insolvency (figure 11.1). The rankings for comparator economies and the regional average ranking provide other useful benchmarks for assessing the efficiency of insolvency proceedings in Serbia.

Figure 11.1 How Serbia and comparator economies rank on the ease of resolving insolvency



Source: Doing Business database.