

Table 1. Sales of the Informal and Micro Survey Sample Firms

Panel A: Informal Survey

| | Year | Informal Survey | | | | | | Enterprise Survey | | | | | | | |
|--------------|------|-----------------|------|------------|------|--------|------|-------------------|------|-----------|------|------------|------|------------|-------|
| | | Unregistered | | Registered | | All | | Small | | Medium | | Big | | All | |
| | | Sales | Obs. | Sales | Obs. | Sales | Obs. | Sales | Obs. | Sales | Obs. | Sales | Obs. | Sales | Obs. |
| Burkina Faso | 2009 | 18,262 | 111 | . | . | 18,262 | 111 | 1,226,313 | 196 | 4,590,659 | 105 | 10,800,000 | 56 | 3,719,511 | 357 |
| Cameroon | 2009 | 19,839 | 121 | . | . | 19,839 | 121 | 309,663 | 144 | 2,996,489 | 124 | 44,300,000 | 70 | 10,400,000 | 338 |
| Cape Verde | 2006 | 29,917 | 85 | 18,922 | 18 | 27,996 | 103 | 374,308 | 69 | 1,738,857 | 23 | 4,149,963 | 1 | 752,375 | 93 |
| Cape Verde | 2009 | 83,190 | 82 | . | . | 83,190 | 82 | 498,339 | 66 | 2,548,385 | 50 | 3,860,018 | 21 | 1,761,825 | 137 |
| Egypt, Rep. | 2008 | 19,572 | 159 | 29,346 | 28 | 21,035 | 187 | 1,335,882 | 350 | 5,160,261 | 358 | 28,800,000 | 411 | 12,600,000 | 1,119 |
| Kenya | 2003 | 20,297 | 149 | 30,712 | 36 | 22,323 | 185 | 1,675,268 | 49 | 6,070,552 | 65 | 31,800,000 | 41 | 11,500,000 | 155 |
| Niger | 2005 | 15,169 | 48 | 14,927 | 58 | 15,037 | 106 | 4,999,650 | 34 | 4,416,983 | 16 | 14,700,000 | 3 | 5,371,892 | 53 |
| Senegal | 2003 | 24,944 | 153 | 29,827 | 41 | 25,976 | 194 | 433,291 | 86 | 4,542,087 | 90 | 18,400,000 | 35 | 5,169,733 | 211 |
| Tanzania | 2003 | 9,212 | 285 | 19,260 | 23 | 9,963 | 308 | 278,088 | 77 | 3,754,425 | 62 | 15,700,000 | 38 | 4,796,542 | 177 |
| Uganda | 2003 | 35,082 | 91 | 45,341 | 23 | 37,152 | 114 | 297,418 | 107 | 3,222,021 | 58 | 10,700,000 | 28 | 2,681,279 | 193 |
| Average | | 27,549 | 128 | 26,905 | 32 | 28,077 | 151 | 1,142,822 | | 3,904,072 | | 18,320,998 | | 5,875,316 | 283 |

Panel B: Micro Survey

| Country | Year | Micro Survey | | | | | | Enterprise Survey | | | | | | | |
|------------------|------|--------------|------|------------|------|---------|------|-------------------|------|-----------|------|------------|------|------------|------|
| | | Unregistered | | Registered | | All | | Small | | Medium | | Big | | All | |
| | | Sales | Obs. | Sales | Obs. | Sales | Obs. | Sales | Obs. | Sales | Obs. | Sales | Obs. | Sales | Obs. |
| Angola | 2006 | 22,524 | 8 | 46,153 | 107 | 44,509 | 115 | 219,543 | 353 | 440,131 | 64 | 826,909 | 6 | 261,533 | 423 |
| Botswana | 2006 | 27,192 | 27 | 105,688 | 73 | 84,494 | 100 | 1,054,364 | 212 | 4,027,974 | 86 | 9,497,498 | 39 | 2,790,306 | 337 |
| Burkina Faso | 2009 | 177,476 | 115 | . | . | 177,476 | 115 | 1,226,313 | 196 | 4,590,659 | 105 | 10,800,000 | 56 | 3,719,511 | 357 |
| Burundi | 2006 | 31,950 | 16 | 44,336 | 121 | 42,889 | 137 | 262,566 | 219 | 1,313,305 | 43 | 2,923,213 | 8 | 508,740 | 270 |
| Cameroon | 2009 | 19,671 | 3 | 92,758 | 110 | 90,817 | 113 | 309,663 | 144 | 2,996,489 | 124 | 44,300,000 | 70 | 10,400,000 | 338 |
| Cape Verde | 2009 | 68,171 | 31 | 50,890 | 73 | 56,041 | 104 | 498,339 | 66 | 2,548,385 | 50 | 3,860,018 | 21 | 1,761,825 | 137 |
| Congo, Dem. Rep. | 2006 | 20,150 | 40 | 32,891 | 64 | 27,991 | 104 | 156,191 | 258 | 779,580 | 71 | 1,675,336 | 11 | 335,518 | 340 |
| Gambia, The | 2006 | 12,955 | 47 | 20,307 | 76 | 17,498 | 123 | 191,976 | 118 | 975,985 | 47 | 3,564,678 | 7 | 543,472 | 172 |
| Guinea | 2006 | 93,345 | 27 | 129,568 | 77 | 120,164 | 104 | 180,759 | 194 | 979,018 | 19 | 2,246,573 | 7 | 315,430 | 220 |
| Guinea-Bissau | 2006 | 22,532 | 29 | 48,451 | 108 | 42,965 | 137 | 155,735 | 97 | 441,720 | 16 | . | | 196,228 | 113 |
| Ivory Coast | 2009 | 6,128 | 47 | 36,858 | 45 | 21,159 | 92 | 291,630 | 247 | 2,648,291 | 100 | 11,400,000 | 43 | 2,121,482 | 390 |
| Madagascar | 2009 | 21,715 | 3 | 108,928 | 98 | 106,338 | 101 | 602,681 | 128 | 2,818,355 | 160 | 8,207,987 | 67 | 3,036,662 | 355 |
| Mauritania | 2006 | 56,070 | 69 | 38,977 | 53 | 48,644 | 122 | 258,159 | 181 | 2,287,588 | 44 | 8,216,648 | 5 | 819,408 | 230 |
| Mauritius | 2009 | 50,159 | 18 | 102,087 | 60 | 90,104 | 78 | 1,193,050 | 168 | 3,533,822 | 128 | 16,900,000 | 58 | 4,608,373 | 354 |
| Namibia | 2006 | 5,392 | 49 | 31,419 | 47 | 18,134 | 96 | 665,167 | 225 | 2,917,353 | 82 | 9,329,198 | 17 | 1,689,759 | 324 |
| Rwanda | 2006 | 8,295 | 22 | 46,821 | 106 | 40,199 | 128 | 344,204 | 143 | 2,071,016 | 53 | 7,671,968 | 16 | 1,328,946 | 212 |
| Swaziland | 2006 | 5,658 | 34 | 52,230 | 83 | 38,696 | 117 | 391,593 | 207 | 2,418,694 | 55 | 6,982,505 | 32 | 1,488,191 | 294 |
| Tanzania | 2006 | 30,093 | 25 | 48,327 | 40 | 41,314 | 65 | 326,825 | 259 | 3,430,273 | 111 | 16,400,000 | 44 | 2,866,305 | 414 |
| Togo | 2009 | 134,510 | 139 | . | . | 134,510 | 139 | 296,217 | 81 | 6,774,754 | 42 | 27,000,000 | 17 | 5,484,240 | 140 |
| Uganda | 2006 | 43,584 | 38 | 93,144 | 59 | 73,729 | 97 | 361,505 | 367 | 1,609,611 | 149 | 5,885,212 | 36 | 1,058,645 | 552 |
| Average | | 42,879 | 39 | 62,768 | 78 | 65,884 | 109 | 449,324 | 193 | 2,480,150 | 77 | 10,404,618 | 29 | 2,266,729 | 299 |

Table 2. Attributes of firms in the Informal Survey Sample

| | Informal Survey | | | Enterprise Survey | | | | Differences | | | |
|---|-----------------|------------|-------|-------------------|--------|-------|-------|------------------------|----------------------------|-----------------------|---------------------|
| | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Informal | Registered vs Unregistered | Small vs Unregistered | Big vs Small |
| <i>General Characteristics:</i> | | | | | | | | | | | |
| Age of the firm (in years) | 10.1 | 10.7 | 9.9 | 16.0 | 20.2 | 24.8 | 18.7 | 8.8 ^a | 0.6 | 5.9 ^a | 8.8 ^a |
| % of firms that are registered with a central government agency | 0.0% | 100.0% | 15.5% | . | . | . | . | . | 100.0% | . | . |
| % of firms that are registered with a local government agency | 35.1% | 57.6% | 37.2% | . | . | . | . | . | 22.5% | . | . |
| % of firms that are registered with an industry board or agency | 14.3% | 23.7% | 16.9% | . | . | . | . | . | 9.4% | . | . |
| % of occupied land that is owned by the firm | 41.8% | 56.0% | 45.6% | 60.6% | 69.2% | 73.9% | 66.6% | 21.0% | 14.2% | 18.7% | 13.4% |
| % of occupied buildings that is owned by the firm | 44.8% | 52.9% | 46.2% | 43.8% | 58.7% | 69.8% | 52.9% | 6.7% | 8.1% | -1.0% | 26.1% |
| % of firms that own a generator | 2.7% | 5.6% | 2.9% | 24.6% | 54.2% | 80.5% | 44.9% | 42.0% ^a | 2.9% ^b | 21.9% ^a | 55.9% ^a |
| Average capacity utilization (%) | 56.4% | 63.7% | 57.7% | 62.2% | 66.0% | 67.4% | 65.2% | 7.6% ^c | 7.3% | 5.8% | 5.1% |
| % of firms for which the main buyer are large firms | 1.6% | 2.9% | 1.8% | 10.0% | 18.7% | 12.7% | 13.9% | 12.1% ^a | 1.3% | 8.4% ^b | 2.7% |
| <i>Employees</i> | | | | | | | | | | | |
| Average number of employees | 3.0 | 4.6 | 3.1 | 9.9 | 41.8 | 389.0 | 94.6 | 91.4 ^a | 1.7 ^b | 7.0 ^a | 379.1 ^a |
| Index of education of top manager | 1.8 | 1.9 | 1.8 | 2.5 | 3.1 | 3.6 | 2.9 | 1.1 ^a | 0.2 | 0.7 ^a | 1.1 ^a |
| % of top managers with primary education | 47.3% | 42.1% | 47.2% | 48.6% | 38.7% | 34.3% | 44.1% | -3.1% | -5.3% | 1.3% | -14.3% |
| % of top managers with secondary education | 23.7% | 14.8% | 22.9% | 51.1% | 42.8% | 36.1% | 45.6% | 22.7% | -8.9% | 27.3% ^b | -14.9% |
| % of top managers with vocational education | 13.2% | 23.9% | 14.0% | 45.7% | 42.5% | 36.6% | 43.5% | 29.5% ^c | 10.8% | 32.5% ^b | -9.1% |
| % of top managers with college education | 7.2% | 8.5% | 7.4% | 54.7% | 76.0% | 93.0% | 66.9% | 59.5% ^a | 1.3% | 47.5% ^a | 38.3% ^a |
| Index of education of average employee | 2.4 | 2.4 | 2.4 | 2.1 | 2.2 | 2.4 | 2.2 | -0.2 | 0.0 | -0.3 | 0.3 |
| % of employees with primary education | 52.4% | 48.3% | 51.4% | 44.1% | 39.6% | 39.5% | 41.6% | -9.8% | -4.1% | -8.3% | -4.6% |
| % of employees with secondary education | 36.9% | 40.0% | 38.0% | 34.7% | 30.7% | 25.3% | 33.8% | -4.2% | 3.0% | -2.2% | -9.5% |
| % of employees with college education | 10.7% | 11.7% | 10.7% | 20.6% | 29.8% | 31.0% | 24.7% | 14.1% ^b | 1.1% | 10.0% ^b | 10.3% |
| <i>Finance</i> | | | | | | | | | | | |
| %firms that have ever had a loan | 16.9% | 26.6% | 18.6% | . | . | . | . | . | 9.7% | . | . |
| % of financing from internal funds | 68.6% | 74.8% | 70.7% | 73.9% | 66.4% | 60.7% | 69.8% | -0.9% ^c | 6.2% | 5.3% | -13.2% ^b |
| % financing from family | 10.4% | 5.8% | 8.6% | 2.8% | 1.6% | 0.8% | 1.9% | -6.7% ^a | -4.6% | -7.5% ^a | -2.0% ^b |
| % of financing from banks | 4.2% | 4.8% | 4.2% | 11.3% | 16.5% | 21.4% | 14.4% | 10.2% ^a | 0.6% | 7.1% ^c | 10.1% ^a |
| <i>Growth</i> | | | | | | | | | | | |
| Avg two-year employment growth | 7.4% | 8.9% | 7.7% | 6.5% | 8.8% | 9.2% | 7.8% | 0.1% | 1.5% | 1.0% | 2.4% |
| Median two-year employment growth | 0.0% | 0.0% | 0.0% | 1.0% | 2.6% | 4.0% | 2.1% | 2.1% ^a | 0.0% | 1.0% | 3.0% |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 3. Attributes of firms in the Micro Survey Sample

| | Micro Survey | | | Enterprise Survey | | | | Differences | | | |
|---|--------------|------------|-------|-------------------|--------|-------|-------|---------------------|----------------------------|-----------------------|---------------------|
| | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Micro | Registered vs Unregistered | Small vs Unregistered | Big vs Small |
| <i>General Characteristics:</i> | | | | | | | | | | | |
| Age of the firm (in years) | 8.0 | 8.4 | 8.2 | 10.4 | 15.4 | 20.6 | 12.6 | 4.4 ^a | 0.4 | 2.4 ^b | 10.3 ^a |
| % of firms that are registered with a central government agency | 0.0% | 100.0% | 72.4% | . | . | . | . | . | 100.0% | . | . |
| % of firms that are registered with a local government agency | 45.9% | 82.9% | 71.5% | . | . | . | . | . | . | . | . |
| % of firms located in the owners home | 17.2% | 13.4% | 13.8% | . | . | . | . | . | -3.9% | . | . |
| % of firms located in a permanent structure | 71.4% | 80.4% | 77.0% | . | . | . | . | . | 9.0% | . | . |
| % of occupied land that is owned by the firm | 22.7% | 22.6% | 22.7% | 30.7% | 53.0% | 67.4% | 37.8% | 0.2 ^a | -0.1% | . | 0.4 ^a |
| % of firms forced to move last year because of lack of secure title | 11.3% | 8.8% | 9.8% | . | . | . | . | . | -2.5% | . | . |
| % of firms that own a generator | 9.3% | 18.3% | 14.4% | 30.4% | 47.9% | 71.4% | 42.2% | 0.3 ^a | 9.0% ^c | 0.2 ^a | 0.4 ^a |
| % of firms with an electrical connection | 60.0% | 79.2% | 73.6% | . | . | . | . | . | 19.2% ^c | . | . |
| % uses own transportation equipment | 6.6% | 22.9% | 18.2% | . | . | . | . | . | 16.3% ^a | . | . |
| Hours per week that the firm operates | 62.3 | 61.9 | 61.5 | 57.4 | 58.6 | 74.9 | 60.2 | -1.4 | -39.9% | -5.0 | 17.5 ^a |
| % of firms for which the main buyer are large firms | 0.1% | 2.4% | 1.6% | . | . | . | . | . | 2.3% ^a | . | . |
| % exports | 0.8% | 1.0% | 1.4% | 2.5% | 6.6% | 22.2% | 5.6% | 4.1% ^a | 0.2% | 1.7% ^c | 19.8% ^a |
| % of firms that use email to connect with clients | 3.2% | 9.1% | 7.1% | 37.0% | 63.7% | 82.3% | 47.7% | 40.6% ^a | 5.9% ^a | 33.7% ^a | 45.4% ^a |
| % of firms that use a webpage to connect with clients | 0.9% | 2.8% | 2.2% | 10.7% | 24.8% | 43.7% | 17.6% | 15.3% ^a | 2.0% ^b | 9.8% ^a | 33.0% ^a |
| <i>Employees</i> | | | | | | | | | | | |
| Average number of employees | 3.2 | 4.1 | 3.9 | 9.3 | 38.7 | 306.0 | 46.9 | 42.9 ^a | 0.9 | 6.1 ^a | 296.7 ^a |
| Index of education of top manager | 1.8 | 2.2 | 2.1 | 2.6 | 3.1 | 3.7 | 2.8 | 0.7 ^a | 0.4 ^b | 0.8 ^a | 1.0 ^a |
| % of top managers with primary education | 50.8% | 37.2% | 41.3% | 24.7% | 14.9% | 3.0% | 20.5% | -20.7% ^a | -13.5% | -26.1% ^a | -21.7% ^a |
| % of top managers with secondary education | 26.7% | 25.0% | 25.0% | 24.5% | 14.9% | 8.7% | 20.8% | -4.1% ^c | -1.7% | -2.2% | -15.8% ^a |
| % of top managers with vocational education | 10.7% | 13.9% | 13.0% | 15.7% | 13.8% | 8.0% | 14.6% | 1.6% | 3.1% | 4.9% ^b | -7.6% ^a |
| % of top managers with college education | 11.8% | 23.9% | 20.8% | 35.1% | 56.4% | 80.3% | 44.0% | 23.2% ^a | 12.1% ^a | 23.3% ^a | 45.1% ^a |
| Index of education of average employee | 2.2 | 2.3 | 2.3 | 2.2 | 2.3 | 2.5 | 2.3 | 0.0 | 0.1 | 0.0 | 0.3 |
| % of employees with primary education | 48.0% | 44.3% | 46.0% | 47.8% | 41.8% | 31.2% | 44.8% | -1.2% | -3.7% | -0.2% | -16.5% ^b |
| % of employees with secondary education | 47.7% | 47.7% | 46.9% | 42.9% | 49.8% | 52.8% | 45.8% | -1.1% | 0.0% | -4.9% | 9.9% |
| % of employees with college education | 4.1% | 8.0% | 7.0% | 9.3% | 8.4% | 16.0% | 9.4% | 2.4% | 3.9% | 5.2% ^c | 6.6% |
| <i>Finance</i> | | | | | | | | | | | |
| % firms that have ever had a loan | 7.3% | 12.5% | 10.9% | . | . | . | . | . | 5.1% ^b | . | . |
| % of financing from internal funds | 79.1% | 77.9% | 79.4% | 75.5% | 66.5% | 62.9% | 72.5% | -7.0% ^b | -1.2% | -3.6% | -12.6% ^a |
| % of financing from family | 6.5% | 5.9% | 5.7% | 4.3% | 2.9% | 0.7% | 3.8% | -1.8% | -0.5% | -2.2% | -3.5% ^a |
| % of financing from banks | 3.8% | 3.7% | 3.7% | 6.3% | 12.1% | 16.6% | 8.5% | 4.8% ^b | -0.1% | . | 10.3% ^a |
| <i>Growth</i> | | | | | | | | | | | |
| Avg two-year employment growth | 17.1% | 19.9% | 17.8% | 13.4% | 14.3% | 10.8% | 13.4% | -4.4% | 2.7% | -3.8% | -2.6% |
| Median two-year employment growth | 0.0% | 4.0% | 0.0% | 11.8% | 9.8% | 6.1% | 11.8% | 11.8% ^a | 4.0% ^b | 11.8% ^a | -5.7% ^a |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 4. Legal Status of Enterprise Survey Firms in Africa

| Country | Number of Observations | % Registered at Start | % Does not know |
|-------------------------------------|------------------------|-----------------------|-----------------|
| Benin | 149 | 83.3% | 0.7% |
| Burkina Faso | 381 | 79.1% | 1.8% |
| Cameroon | 360 | 82.4% | 0.3% |
| Cape Verde | 147 | 81.4% | 1.9% |
| Chad | 148 | 79.3% | 1.3% |
| Congo Rep | 142 | 78.8% | 8.6% |
| Eritrea | 152 | 96.1% | 3.9% |
| Gabon | 179 | 64.2% | 1.7% |
| Ghana | 615 | 63.6% | 0.2% |
| Ivory Coast | 524 | 56.1% | 3.2% |
| Lesotho | 150 | 86.8% | 1.3% |
| Liberia | 150 | 73.3% | 1.3% |
| Madagascar | 442 | 95.7% | 0.2% |
| Malawi | 148 | 88.0% | 0.0% |
| Mali | 619 | 80.9% | 0.0% |
| Mauritius | 393 | 81.9% | 2.0% |
| Mozambique | 597 | 86.3% | 0.0% |
| Niger | 127 | 90.7% | 0.0% |
| Senegal | 625 | 75.8% | 0.0% |
| Sierra Leone | 150 | 86.7% | 0.0% |
| South Africa | 1056 | 88.1% | 0.0% |
| Togo | 153 | 75.5% | 0.6% |
| Zambia | 602 | 88.1% | 0.0% |
| <i>Average Africa</i> | | 81.0% | 1.3% |
| <i>Average Latin America</i> | | 90.0% | 1.3% |

Table 5. Indicators of the Institutional Environment Facing Informal and Micro Survey Firms

| | <i>Panel A: Informal Survey</i> | | | | | | | Differences | | | | |
|---|---------------------------------|------------|-------|-------------------|-------------------|-------|-------|------------------------|----------------------------|-----------------------|--------------------|--|
| | Informal Survey | | | Enterprise Survey | | | | Enterprise vs Informal | Registered vs Unregistered | Small vs Unregistered | Big vs Small | |
| | Unregistered | Registered | All | Small | Medium | Big | All | | | | | |
| <i>Compliance with government regulations</i> | | | | | | | | | | | | |
| % of tax liability evaded by "typical" firm | 54.5 | 37.6 | 51.4 | 27.6 | 24.0 | 18.2 | 24.8 | -26.7 ^a | -16.9 | -26.9 ^b | -9.4 | |
| % of management's time spent dealing with government regulations | 9.5 | 7.3 | 8.4 | 10.9 | 16.1 | 14.3 | 13.5 | 5.1 ^c | -2.2 | 1.4 | 3.4 | |
| % of sales a "typical" firm pays in informal gifts or payments to get things done | 6.9 | 6.3 | 7.1 | 3.7 | 3.1 | 2.2 | 3.4 | -3.7 ^a | -0.6 | -3.2 ^b | -1.5 | |
| <i>Public goods</i> | | | | | | | | | | | | |
| Days last year with power outages | 45.0 | 63.2 | 47.5 | 58.9 | 69.6 | 74.4 | 65.0 | 17.5 | 18.1 | 13.8 | 15.6 | |
| Days last year with water outages | 60.2 | 70.1 | 62.6 | 47.8 | 50.5 | 44.1 | 50.5 | -12.0 | 9.9 | -12.5 | -3.6 | |
| Days last year with telephone outages | 7.2 | 42.6 | 32.5 | 27.7 | 20.5 | 21.9 | 23.1 | -9.4 | 35.3 | 20.5 ^c | -5.8 | |
| Days last year with transportation outages | 60.0 | 46.9 | 58.9 | 17.0 | 19.0 | 17.3 | 18.0 | -40.9 | -13.1 | -43.1 ^c | 0.3 | |
| <i>Property rights</i> | | | | | | | | | | | | |
| % of sales lost last year owing to theft | 3.6 | 5.3 | 3.9 | 1.8 | 1.3 | 0.4 | 1.4 | -2.5 | 1.8 | -1.8 | -1.4 | |
| % of sales spent on security expenses | 2.4 | 1.9 | 2.2 | 2.3 | 3.2 | 3.2 | 2.9 | 0.7 ^c | -0.5 | -0.2 | 1.0 | |
| % of sales spent on "protection payments" | 2.6 | 1.8 | 2.5 | 0.1 | 0.2 | 0.3 | 0.2 | -2.3 | -0.8 | -2.4 ^c | 0.1 | |
| % of incidents reported to the police | 22.7 | 32.9 | 28.2 | 46.6 | 55.1 | 70.2 | 55.7 | 27.5 | 10.2 | 23.9 | 23.6 | |
| Days it took a typical court case to be resolved | 70.6 | 105.8 | 79.7 | 90.3 | 73.4 | 95.7 | 83.8 | 4.1 | 35.2 | 19.8 | 5.4 | |
| <i>Panel B: Micro Survey</i> | | | | | | | | | | | | |
| | Micro Survey | | | | Enterprise Survey | | | | Differences | | | |
| | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Micro | Registered vs Unregistered | Small vs Unregistered | Big vs Small | |
| <i>Compliance with government regulations</i> | | | | | | | | | | | | |
| % of tax liability evaded by "typical" firm | 62.3 | 52.6 | 53.5 | 41.0 | 32.4 | 29.7 | 38.2 | -15.2 ^b | -9.6 | -21.3 ^a | -11.3 ^c | |
| % of management's time spent dealing with government regulations | 4.5 | 5.0 | 5.0 | 8.7 | 10.1 | 11.4 | 9.3 | 4.3 ^a | 0.5 | 4.2 ^b | 2.7 ^c | |
| % of sales a "typical" firm pays in informal gifts or payments to get things done | 3.4 | 3.2 | 2.9 | 6.1 | 6.4 | 4.8 | 5.9 | 3.0 ^a | -0.2 | 2.7 ^b | -1.3 | |
| <i>Public goods</i> | | | | | | | | | | | | |
| Number of power outages in the last year | 138.1 | 110.5 | 118.3 | 92.9 | 101.6 | 103.4 | 96.4 | -21.9 | -27.6 | -45.2 | 10.5 | |
| Days last year with water outages | . | . | . | 78.6 | 71.0 | 59.1 | 69.2 | . | . | . | -19.5 | |
| <i>Property rights</i> | | | | | | | | | | | | |
| % of sales lost last year owing to theft | 0.8 | 0.6 | 0.6 | 1.8 | 1.3 | 1.1 | 1.7 | 1.1 ^b | -0.1 | 1.1 ^c | -0.8 | |
| % of sales spent on security expenses | 3.2 | 3.9 | 3.6 | 2.3 | 1.9 | 1.2 | 2.0 | -1.6 | 0.7 | -0.9 | -1.1 ^b | |
| % of firms that had payment dispute in last 2 years | 6.0% | 8.4% | 7.5% | 9.5% | 16.6% | 19.4% | 11.4% | 4.0% ^c | 2.3% | 3.5% | 9.9% ^a | |
| If there was a payment dispute, % of firms that used court to resolve it | 29.2% | 33.2% | 30.1% | 51.3% | 67.6% | 81.8% | 58.3% | 28.3% ^a | 4.1% | 22.1% ^c | 30.5% ^a | |
| Days it took a typical court case to be resolved | . | 25.7 | 25.7 | . | . | . | . | . | . | . | . | |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 6. Expenditure on Production Inputs by Informal and Micro Survey Firms

| <i>Panel A: Informal Survey</i> | | | | | | | | | | | |
|--|-----------------|------------|-------|-------------------|--------|-------|-------|------------------------|----------------------------|-----------------------|--------------------|
| | Informal Survey | | | Enterprise Survey | | | | Differences | | | |
| | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Informal | Registered vs Unregistered | Small vs Unregistered | Big vs Small |
| Expenditure on raw materials / Sales (%) | 39.5% | 43.4% | 39.5% | 37.3% | 37.6% | 39.3% | 36.9% | -2.6% | 3.9% | -2.1% | 1.9% |
| Expenditure on energy / Sales (%) | 9.4% | 8.0% | 8.7% | 4.6% | 3.2% | 4.0% | 5.3% | -3.4% | -1.4% | -4.9% ^a | -0.5% |
| Expenditure on labor / Sales (%) | 22.4% | 21.8% | 22.8% | 18.3% | 15.6% | 13.0% | 16.3% | -6.4% ^c | -0.6% | -4.1% | -5.2% ^c |
| Expenditure on machines / Sales (%) | 7.3% | 9.5% | 7.3% | 6.9% | 8.1% | 6.2% | 7.4% | 0.1% | 2.2% | -0.4% | -0.6% |
| Expenditure on land / Sales (%) | 5.3% | 14.4% | 6.8% | 3.2% | 1.4% | 2.2% | 3.0% | -3.8% | 9.2% | -2.1% | -1.0% |

| <i>Panel B: Micro Survey</i> | | | | | | | | | | | |
|--|--------------|------------|-------|-------------------|--------|-------|-------|---------------------|----------------------------|-----------------------|--------------------|
| | Micro Survey | | | Enterprise Survey | | | | Differences | | | |
| | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Micro | Registered vs Unregistered | Small vs Unregistered | Big vs Small |
| Expenditure on raw materials / Sales (%) | 37.8% | 37.6% | 36.2% | 37.9% | 39.6% | 38.9% | 38.5% | 2.3% | -0.2% | 0.1% | 1.0% |
| Expenditure on energy / Sales (%) | 3.9% | 3.8% | 4.1% | 3.6% | 3.3% | 3.2% | 3.5% | -0.7% | -0.1% | -0.3% ^c | -0.4% |
| Expenditure on labor / Sales (%) | 23.5% | 21.3% | 22.0% | 21.8% | 20.3% | 15.9% | 20.8% | -1.3% | -2.2% | -1.7% | -5.9% ^a |
| Expenditure on machines / Sales (%) | 4.5% | 4.0% | 5.2% | 8.6% | 9.0% | 6.1% | 7.9% | 2.7% ^c | -0.6% | 4.1% ^b | -2.6% |
| Expenditure on land / Sales (%) | 2.5% | 0.9% | 1.4% | 1.2% | 0.9% | 1.1% | 1.0% | -0.4% | -1.6% | -1.4% | -0.1% |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 7. Ratio of wages per employee to GDP per capita

Panel A: Informal Survey

| Country | Year | Informal Survey | | | Enterprise Survey | | | | Differences | | | |
|--------------|------|-----------------|------------|------|-------------------|--------|------|------|------------------------|----------------------------|-----------------------|-------------------|
| | | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Informal | Registered vs Unregistered | Small vs Unregistered | Big vs Small |
| Burkina Faso | 2009 | 0.95 | . | 0.95 | 3.46 | 4.46 | 3.06 | 3.70 | 2.75 ^a | . | 2.50 ^a | -0.40 |
| Cameroon | 2009 | 0.96 | . | 0.96 | 1.90 | 2.39 | 3.84 | 2.50 | 1.54 ^a | . | 0.95 ^a | 1.94 ^a |
| Cape Verde | 2006 | 0.90 | 1.25 | 0.96 | 2.92 | 4.03 | . | 3.19 | 2.23 ^a | 0.35 | 2.03 ^a | . |
| Cape Verde | 2009 | 0.76 | . | 0.76 | 0.66 | 0.81 | 0.60 | 0.71 | -0.05 | . | -0.10 | -0.06 |
| Average | | 0.89 | 1.25 | 0.91 | 2.24 | 2.92 | 2.50 | 2.52 | 1.62 ^b | 0.35 | 1.34 ^c | 0.49 |

Panel B: Micro Survey

| Country | Year | Micro Survey | | | Enterprise Survey | | | | Differences | | | |
|------------------|------|--------------|------------|------|-------------------|--------|------|------|---------------------|----------------------------|-----------------------|-------------------|
| | | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Micro | Registered vs Unregistered | Small vs Unregistered | Big vs Small |
| Angola | 2006 | . | 2.23 | 2.17 | 3.26 | 3.02 | . | 3.20 | 1.03 ^a | . | . | . |
| Botswana | 2006 | 0.35 | 0.58 | 0.52 | 0.89 | 1.05 | 1.03 | 0.95 | 0.43 ^a | 0.23 ^a | 0.54 ^a | 0.14 |
| Burkina Faso | 2009 | 2.76 | . | 2.76 | 3.48 | 4.51 | 3.06 | 3.73 | 0.97 ^b | . | 0.72 | -0.42 |
| Burundi | 2006 | 1.76 | 3.13 | 2.97 | 5.84 | 7.29 | . | 6.04 | 3.07 ^a | 1.37 ^c | 4.08 ^a | . |
| Cameroon | 2009 | . | 1.98 | 1.95 | 1.90 | 2.39 | 3.84 | 2.50 | 0.54 ^b | . | . | 1.94 ^a |
| Cape Verde | 2009 | 1.08 | 0.89 | 0.95 | 0.65 | 0.80 | 0.60 | 0.70 | -0.25 ^b | -0.19 | -0.43 ^b | -0.05 |
| Congo, Dem. Rep. | 2006 | 5.64 | 5.45 | 5.52 | 8.25 | 11.35 | 9.26 | 8.93 | 3.41 ^a | -0.18 | 2.62 ^a | 1.01 |
| Gambia, The | 2006 | 0.54 | 1.04 | 0.85 | 1.52 | 2.41 | . | 1.78 | 0.94 ^a | 0.49 ^a | 0.98 ^a | . |
| Guinea | 2006 | 0.83 | 1.23 | 1.13 | 1.30 | 1.13 | . | 1.27 | 0.15 ^c | 0.40 ^b | 0.47 ^a | . |
| Guinea-Bissau | 2006 | 6.11 | 7.21 | 6.97 | 9.64 | 6.92 | . | 9.25 | 2.29 ^b | 1.10 | 3.53 ^c | . |
| Ivory Coast | 2009 | 0.53 | 0.87 | 0.69 | 1.67 | 2.90 | 2.64 | 2.09 | 1.40 ^a | 0.34 ^b | 1.14 ^a | 0.98 ^a |
| Madagascar | 2009 | . | 1.11 | 1.11 | 2.44 | 2.66 | 2.31 | 2.52 | 1.40 ^a | . | . | -0.12 |
| Mauritania | 2006 | 2.12 | 2.10 | 2.11 | 3.88 | 3.98 | . | 3.91 | 1.80 ^a | -0.02 | 1.76 ^a | . |
| Mauritius | 2009 | 0.39 | 0.45 | 0.44 | 0.56 | 0.68 | 0.68 | 0.62 | 0.19 ^a | 0.06 | 0.17 | 0.12 |
| Namibia | 2006 | 0.27 | 0.79 | 0.55 | 2.48 | 2.56 | 2.30 | 2.49 | 1.94 ^a | 0.51 ^a | 2.21 ^a | -0.19 |
| Rwanda | 2006 | 1.29 | 1.52 | 1.47 | 4.01 | 5.70 | 3.12 | 4.36 | 2.89 ^a | 0.23 | 2.72 ^a | -0.89 |
| Swaziland | 2006 | 0.50 | 1.20 | 1.05 | 1.92 | 2.21 | 1.88 | 1.97 | 0.92 ^a | 0.69 ^a | 1.42 ^a | -0.04 |
| Tanzania | 2006 | 1.44 | 1.59 | 1.53 | 3.59 | 5.07 | 5.72 | 4.21 | 2.68 ^a | 0.16 | 2.15 ^a | 2.13 ^a |
| Togo | 2009 | 4.61 | . | 4.61 | 4.89 | 12.35 | 7.74 | 7.59 | 2.98 ^a | . | 0.28 | 2.85 |
| Uganda | 2006 | 3.08 | 3.93 | 3.60 | 4.32 | 4.90 | 3.91 | 4.45 | 0.85 ^b | 0.85 | 1.24 ^b | -0.42 |
| Average | | 1.96 | 2.07 | 2.15 | 3.32 | 4.19 | 3.43 | 3.63 | 1.48 ^b | 0.40 | 1.51 ^c | 0.50 |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 8. Productivity of Firms in the Informal and Micro Sector Survey

Panel A: Log value added per employee for firms in countries covered by the Informal Survey

| Country | Year | Informal Survey | | | Enterprise Survey | | | | Differences | | | | |
|--------------|------|-----------------|------------|-----|-------------------|--------|------|------|------------------------|----------------------------|-----------------------|------------------|---------------------|
| | | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Informal | Registered vs Unregistered | Small vs Unregistered | Big vs Small | Big vs Unregistered |
| Burkina Faso | 2003 | 8.3 | . | 8.3 | 9.5 | 10.0 | 10.5 | 10.0 | 1.6 ^a | . | 1.2 ^a | 1.0 ^b | 2.2 ^a |
| Cameroon | 2006 | 7.9 | . | 7.9 | 8.3 | 9.3 | 10.3 | 9.3 | 1.4 ^a | . | 0.4 | 2.0 ^a | 2.4 ^a |
| Cape Verde | 2006 | 8.1 | 7.85 | 8.1 | 8.5 | 9.2 | . | 8.8 | 0.7 ^a | -0.3 | 0.4 | . | . |
| Cape Verde | 2009 | 8.4 | . | 8.4 | 9.0 | 9.7 | . | 9.1 | 0.7 ^c | . | 0.6 | . | . |
| Egypt | 2009 | 7.0 | 7.40 | 7.1 | 8.9 | 9.4 | 9.4 | 9.2 | 2.1 ^a | 0.4 | 1.8 ^a | 0.6 ^a | 2.4 ^a |
| Kenya | 2009 | 7.8 | 8.04 | 7.8 | 9.6 | 10.0 | 10.3 | 9.9 | 2.1 ^a | 0.3 | 1.8 ^a | 0.7 ^a | 2.5 ^a |
| Niger | 2003 | . | . | 8.2 | 11.4 | 10.0 | . | 10.8 | 2.6 ^b | . | . | . | . |
| Senegal | 2003 | 7.2 | 7.22 | 7.2 | 9.1 | 9.8 | 10.0 | 9.5 | 2.3 ^a | 0.0 | 1.9 ^a | 0.9 ^a | 2.8 ^a |
| Tanzania | 2003 | 6.2 | . | 6.2 | . | . | . | 8.9 | 2.6 ^a | . | . | . | . |
| Uganda | 2003 | 7.2 | 7.92 | 7.3 | 8.7 | 9.3 | 10.0 | 9.1 | 1.8 ^a | 0.8 | 1.6 ^a | 1.3 ^a | 2.9 ^a |
| Average | | 7.6 | 7.69 | 7.7 | 9.2 | 9.6 | 10.1 | 9.5 | 1.8 ^a | 0.2 | 1.2 ^a | 1.1 ^a | 2.5 ^a |

Panel B: Log value added per employee for firms in countries covered by the Micro Survey

| Country | Year | Micro Survey | | | Enterprise Survey | | | | Differences | | | | |
|------------------|------|--------------|------------|-----|-------------------|--------|------|------|------------------------|----------------------------|-----------------------|------------------|---------------------|
| | | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Informal | Registered vs Unregistered | Small vs Unregistered | Big vs Small | Big vs Unregistered |
| Angola | 2006 | . | 8.3 | 8.3 | 9.0 | 8.9 | . | 9.0 | 0.7 ^a | . | . | . | . |
| Botswana | 2006 | . | 8.8 | 8.9 | 9.5 | 10.0 | 9.5 | 9.6 | 0.8 ^b | . | . | 0.0 | . |
| Burkina Faso | 2009 | 8.7 | . | 8.7 | 9.5 | 10.0 | 10.5 | 10.0 | 1.3 ^a | . | 0.8 | 1.0 ^b | 1.8 ^a |
| Burundi | 2006 | . | 7.8 | 7.9 | 8.2 | 9.2 | . | 8.5 | 0.6 ^a | . | . | . | . |
| Cameroon | 2009 | . | 8.4 | 8.4 | 8.9 | 9.8 | 10.9 | 9.9 | 1.4 ^a | . | . | 2.0 ^a | . |
| Cape Verde | 2009 | 8.6 | 9.0 | 8.8 | 9.0 | 9.7 | . | 9.1 | 0.3 | 0.4 | 0.5 | . | . |
| Congo, Dem. Rep. | 2006 | 6.9 | 7.6 | 7.4 | 8.2 | 8.9 | 8.5 | 8.5 | 1.1 ^a | 0.7 ^b | 1.3 ^a | 0.3 | 1.6 ^a |
| Gambia, The | 2006 | 6.9 | 7.4 | 7.3 | 8.3 | 8.8 | . | 8.5 | 1.2 ^a | 0.5 ^c | 1.4 ^a | . | . |
| Guinea | 2006 | 8.0 | 8.7 | 8.5 | 8.3 | 8.7 | . | 8.4 | -0.1 | 0.6 ^c | 0.3 | . | . |
| Guinea-Bissau | 2006 | . | 8.3 | 8.3 | 8.2 | 8.4 | . | 8.3 | 0.0 | . | . | . | . |
| Ivory Coast | 2009 | 6.7 | 7.8 | 7.2 | 8.3 | 9.1 | 10.7 | 8.9 | 1.7 ^a | 1.0 ^a | 1.5 ^a | 2.4 ^a | 4.0 ^a |
| Madagascar | 2009 | . | 8.4 | 8.3 | 8.2 | 8.6 | 8.6 | 8.5 | 0.1 | . | . | 0.3 | . |
| Mauritania | 2006 | 8.4 | . | 8.2 | 8.7 | 9.2 | . | 8.9 | 0.8 ^a | . | 0.3 | . | . |
| Mauritius | 2009 | 8.3 | 8.8 | 8.7 | 9.2 | 9.4 | 10.4 | 9.5 | 0.8 ^a | 0.5 | 0.9 ^b | 1.2 ^a | 2.1 ^a |
| Namibia | 2006 | . | 7.8 | 7.5 | 9.8 | 10.2 | 10.4 | 10.0 | 2.5 ^a | . | . | 0.6 ^b | . |
| Rwanda | 2006 | . | 8.4 | 8.3 | 9.1 | 9.4 | 9.1 | 9.2 | 0.9 ^a | . | . | 0.0 | . |
| Swaziland | 2006 | . | 8.6 | 8.5 | 9.8 | 9.5 | 9.6 | 9.6 | 1.1 ^a | . | . | -0.2 | . |
| Tanzania | 2006 | 7.9 | 8.2 | 8.1 | 8.9 | 9.7 | 10.4 | 9.3 | 1.2 ^a | 0.3 | 1.0 ^a | 1.4 ^a | 2.5 ^a |
| Togo | 2009 | . | . | 8.4 | 8.8 | . | . | 9.6 | 1.1 | . | . | . | . |
| Uganda | 2006 | 8.2 | 8.4 | 8.3 | 8.7 | 9.0 | 9.8 | 8.8 | 0.5 ^a | 0.3 ^a | 0.5 ^a | 1.0 ^a | 1.6 ^a |
| Average | | 7.9 | 8.3 | 8.2 | 8.8 | 9.3 | 9.9 | 9.1 | 0.9 ^a | 0.6 | 0.8 ^a | 0.9 ^a | 2.3 ^a |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 9. Regressions explaining value added per employee

| | | | | | | | | |
|-------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Informal Survey | -1.5729 ^a (0.2536) | -1.5943 ^a (0.2290) | -1.4886 ^a (0.2000) | -0.8088 ^a (0.2770) | -0.7199 ^a (0.2295) | -0.7308 ^a (0.2356) | -0.6424 ^a (0.2255) | 0.2841 ^c (0.1503) |
| Informal Survey & Registered | 0.1565 (0.1408) | 0.1554 (0.1382) | 0.1253 (0.1153) | -0.0902 (0.1566) | -0.0347 (0.1641) | -0.0299 (0.1644) | -0.0678 (0.1566) | 0.0081 (0.0754) |
| Micro Survey | -1.2945 ^a (0.2440) | -1.2717 ^a (0.2357) | -1.2814 ^a (0.2411) | -0.9916 ^a (0.2324) | -0.7465 ^a (0.1997) | -0.7311 ^a (0.1979) | -0.6541 ^a (0.1841) | 0.3645 ^a (0.0854) |
| Micro Survey & Registered | 0.4895 ^a (0.1694) | 0.4768 ^a (0.1586) | 0.4092 ^b (0.1487) | 0.3347 ^a (0.1050) | 0.3037 ^a (0.1053) | 0.2920 ^b (0.1051) | 0.2632 ^b (0.1047) | 0.1057 ^b (0.0479) |
| LN (GDP Per Capita) | | 0.1957 (0.1300) | 0.1796 (0.1236) | 0.1818 ^c (0.1036) | 0.1594 (0.0950) | 0.1537 (0.0912) | 0.1718 ^c (0.0877) | 0.0672 (0.0686) |
| Ln(Raw Materials / Employee) | | | | 0.2810 ^a (0.0896) | 0.2273 ^b (0.0863) | 0.2212 ^b (0.0866) | 0.2133 ^b (0.0858) | 0.0278 (0.0406) |
| Ln(Energy/Employee) | | | | | 0.1637 ^a (0.0322) | 0.1535 ^a (0.0309) | 0.1440 ^a (0.0299) | 0.0333 ^b (0.0140) |
| Ln(Expenditure Machines / Employee) | | | | | | 0.0280 ^a (0.0064) | 0.0248 ^a (0.0063) | -0.0012 (0.0038) |
| Manager's Education | | | | | | | 0.1452 ^a (0.0337) | -0.0599 ^a (0.0175) |
| Ln(Sales) | | | | | | | | 0.5648 ^a (0.0381) |
| Constant | 8.9910 ^a (0.1174) | 7.5627 ^a (1.0042) | 7.2358 ^a (0.9944) | 3.7778 ^b (1.3749) | 2.9736 ^b (1.1439) | 3.0406 ^b (1.1158) | 2.7195 ^b (1.0716) | 0.6590 (0.6269) |
| Observations | 4,075 | 4,075 | 3,955 | 3,955 | 3,955 | 3,955 | 3,955 | 3,955 |
| Adjusted R-Squared | 14% | 15% | 19% | 34% | 38% | 39% | 40% | 66% |
| Industry Dummies | No | No | Yes | Yes | Yes | Yes | Yes | Yes |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 10: Manager ability and self-selection

Panel A: Probit regressions

| | Registered with central government | Firm has ever had a loan | Main buyer are large firm | Occupies a permanent structure | Located in owner's house | Owns building it occupies | Owns the land it occupies | Owns transportation equipment | Owns a generator | Uses email to communicate with clients | Uses website to communicate with clients | Firm has electrical connection |
|-----------------------|------------------------------------|----------------------------------|----------------------------------|----------------------------------|---------------------------------|---------------------------|---------------------------------|----------------------------------|---------------------------------|--|--|---------------------------------|
| Secondary | 0.2869 ^c (0.1644) | 0.2544 ^a (0.0806) | 0.2416 (0.2254) | 0.1396 (0.1673) | 0.2473 ^a (0.0825) | -0.1292 (0.1439) | 0.0570 (0.1141) | 0.0118 (0.1979) | 0.3022 ^c (0.1692) | 0.4325 ^a (0.0975) | 0.4411 ^a (0.1041) | 0.6632 ^a (0.1407) |
| Vocational | 0.3932 ^a (0.1453) | 0.4450 ^a (0.1627) | 0.5228 ^b (0.2379) | 0.3674 ^b (0.1840) | 0.3561 ^a (0.1301) | -0.1547 (0.1772) | 0.1156 (0.1287) | 0.4289 ^b (0.1937) | 0.2733 ^c (0.1657) | 0.5421 ^a (0.1389) | 0.5302 ^a (0.1127) | 0.7607 ^a (0.2246) |
| College | 0.6917 ^a (0.1916) | 0.3228 ^a (0.0994) | 0.8350 ^a (0.2682) | 0.2853 (0.2122) | 0.0354 (0.1164) | 0.2301 (0.2500) | 0.2650 ^b (0.1036) | 0.4140 ^a (0.1097) | 0.8488 ^a (0.2269) | 1.2567 ^a (0.1452) | 1.0111 ^a (0.1113) | 1.2099 ^a (0.2204) |
| Ln(GDP/POP) | 0.0447 (0.1959) | -0.0294 (0.0588) | 0.0508 (0.1215) | -0.2605 ^a (0.0992) | -0.1220 (0.1251) | -0.1010 (0.2550) | -0.1077 (0.0859) | 0.0375 (0.0870) | -0.1220 (0.1199) | 0.1119 (0.1160) | 0.1004 (0.0891) | -0.0630 (0.1660) |
| Constant | -0.9911 (1.5093) | -0.8918 ^b (0.4245) | -2.8640 ^a (0.9284) | 2.8888 ^a (0.8811) | -0.4320 (0.9311) | 0.5201 (1.8687) | 0.2025 (0.6188) | -1.6668 ^b (0.7875) | -0.2655 (0.8682) | -1.7767 ^c (0.9104) | -2.5397 ^a (0.6832) | 1.0422 (1.3772) |
| Obs | 2,390 | 2,224 | 1,288 | 1,429 | 1,439 | 1,494 | 7,375 | 1,438 | 5,308 | 8,069 | 8,112 | 1,439 |
| Pseudo R ² | 8% | 3% | 11% | 4% | 2% | 11% | 5% | 3% | 11% | 13% | 9% | 13% |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 10 -- Manager ability and self-selection (continued)

Panel B: OLS Regressions

| | Dependent Variables | | | | |
|--------------------|--|--|----------------------------------|------------------------------------|----------------------------------|
| | %Investment financed with internal funds | Expenditure on raw materials / Sales | Expenditure on energy / Sales | Expenditure on machines / Sales | %Capacity utilization |
| Secondary School | -0.9120 (2.1722) | -0.0237 firms | -0.4084 (0.5400) | -0.7236 (0.7365) | 0.9662 (2.0966) |
| Vocational School | -0.6260 (1.6657) | -0.0100 (0.0187) | -0.5316 (0.4066) | 0.6415 (0.7915) | 4.6005 ^c (2.3397) |
| College | -6.6813 ^a (1.9788) | 0.0044 (0.0236) | -1.1386 ^b (0.4958) | 0.3194 (0.8975) | 6.7849 ^a (2.2222) |
| Ln(GDP/POP) | -4.3642 ^a (1.2611) | -0.0157 (0.0182) | 0.1985 (0.2470) | 0.8420 (0.6951) | 0.7082 (0.6239) |
| Constant | 106.7237 ^a (9.1257) | 0.4942 ^a (0.1581) | 3.7011 ^c (1.8890) | -0.2367 (4.8612) | 56.7218 ^a (5.0422) |
| Obs | 8641 | 4729 | 7780 | 7472 | 3578 |
| Adj R ² | 3% | 2% | 4% | 2% | 30% |
| F-test | 12.15 ^a | 7.16 ^a | 31.34 ^a | 8.19 ^a | 69.77 ^a |
| Industry Dummies | Yes | Yes | Yes | Yes | Yes |

Notes: ^a significant at the 1% level. ^b significant at the 5% level. ^c significant at the 10% level.

Table 11. Obstacles to Doing Business in the Informal and Micro Survey Samples

| | Micro Survey | | | Enterprise Survey | | | | Differences | | | |
|---|--------------|------------|-------|-------------------|--------|-------|-------|---------------------|----------------------------|-----------------------|--------------------|
| | Unregistered | Registered | All | Small | Medium | Big | All | Enterprise vs Micro | Registered vs Unregistered | Small vs Unregistered | Big vs Small |
| Obstacles (% of firms identifying an obstacle as the most important) | | | | | | | | | | | |
| Macro Instability | 4.0% | 8.0% | 7.0% | . | . | . | . | . | . | . | . |
| Telecommunications | 2.0% | 1.9% | 2.0% | . | . | . | . | . | -0.1% | . | . |
| Electricity | 17.1% | 23.4% | 20.0% | 30.0% | 31.3% | 32.9% | 30.4% | 10.4% | 6.3% | 12.9% ^c | 2.9% |
| Access to Financing | 29.2% | 20.0% | 23.1% | 20.0% | 17.7% | 14.4% | 18.6% | -4.5% | -9.1% ^c | -9.2% ^b | -5.6% |
| Tax Rates | 4.5% | 6.3% | 5.4% | 10.9% | 7.6% | 9.8% | 10.1% | 4.7% ^c | 1.7% | 6.3% ^b | -1.1% |
| Practices of competitors in the informal economy | 9.7% | 7.9% | 8.5% | 9.4% | 7.7% | 9.3% | 8.9% | 0.4% | -1.8% | -0.3% | -0.1% |
| Uneducated Workforce | 0.8% | 0.8% | 0.8% | 2.3% | 3.4% | 5.8% | 2.8% | 2.0% ^c | 0.0% | 1.5% | 3.6% |
| Political instability | 2.8% | 2.2% | 2.9% | 4.5% | 6.7% | 5.3% | 5.0% | 2.1% | -0.5% | 1.7% | 0.8% |
| Customs and Trade Regulations | 1.5% | 1.7% | 1.7% | 2.0% | 2.5% | 4.8% | 2.3% | 0.7% | 0.1% | 0.5% | 2.7% ^c |
| Transportation | 6.3% | 6.4% | 6.5% | 3.5% | 4.2% | 3.8% | 3.8% | -2.7% ^c | 0.1% | -2.8% | 0.3% |
| Crime | 3.4% | 4.8% | 4.9% | 4.7% | 4.3% | 3.8% | 4.6% | -0.3% | 1.3% | 1.3% | -0.9% |
| Corruption | 1.8% | 2.3% | 2.0% | 4.1% | 4.9% | 3.0% | 4.4% | 2.4% ^b | 0.5% | 2.3% ^b | -1.2% |
| Tax Administration | 1.4% | 1.6% | 1.4% | 1.7% | 2.4% | 2.8% | 2.1% | 0.7% | 0.2% | 0.2% | 1.1% |
| Legal System | 0.0% | 0.2% | 0.2% | 0.4% | 1.2% | 1.4% | 0.8% | 0.6% ^a | 0.2% | 0.4% ^b | 1.0% |
| Business licensing and permits | 3.8% | 2.6% | 2.8% | 2.5% | 2.4% | 1.2% | 2.3% | -0.4% | -1.2% | -1.4% | -1.2% |
| Labor Regulations | 0.0% | 0.3% | 0.2% | 0.5% | 1.2% | 1.1% | 0.7% | 0.5% | 0.3% ^c | 0.5% ^b | 0.6% |
| Access to Land | 7.6% | 4.7% | 5.4% | 3.5% | 2.4% | 0.5% | 3.1% | -2.3% ^c | -2.8% | -4.0% ^b | -3.0% ^a |

Table 12: Costs and benefits of registering

Panel A: Percentage of Informal Survey respondents rating the following as either the most important or second most important benefit that their firm could obtain from registering

| | Burkina Faso | Cape Verde | Mauritius | Madagascar | Nepal | Average |
|--|--------------|------------|-----------|------------|-------|---------|
| Better access to financing | 63% | 70% | 72% | 67% | 64% | 67% |
| Better access to raw materials | 27% | 32% | 46% | 25% | 6% | 27% |
| Better access to markets | 13% | 14% | 17% | 14% | 4% | 12% |
| Less bribes to pay | 26% | 15% | 2% | 16% | 0% | 12% |
| Better opportunities with formal firms | 5% | 10% | 15% | 3% | 10% | 9% |
| More access to government programs or services | 8% | 1% | 9% | 9% | 12% | 8% |
| Better legal foundations on the property | 3% | 3% | 6% | 10% | 4% | 5% |
| Better access to infrastructure service | 2% | 0% | 4% | 6% | 0% | 2% |

Table 12: Costs and benefits of registering (continued)

Panel B: Percentage of Micro Survey respondents that indicate that the following present either a "major obstacle" or a "very serious obstacle" with respect to registering a business

| | Angola | Burundi | Botswana | Ivory Coast | Gambia | Guinea Bissau | Guinea | Madagascar | Mauritius | Namibia | Rowanda | Swaziland | Tanzania | Uganda | Average |
|---|--------|---------|----------|-------------|--------|---------------|--------|------------|-----------|---------|---------|-----------|----------|--------|---------|
| Bribes that registered firms need to pay | . | . | . | 85% | . | . | . | 20% | . | . | . | . | . | . | 52% |
| Financial burden of taxes | 12% | 28% | 12% | 79% | 27% | 34% | 55% | 46% | 19% | 15% | 30% | 20% | 37% | 60% | 34% |
| Financial cost of completing registration | 22% | 28% | 13% | 70% | 24% | 40% | 42% | 30% | 14% | 26% | 4% | 22% | 28% | 48% | 29% |
| Administrative burden complying with | 17% | 20% | 7% | 63% | 14% | 43% | 43% | 37% | 23% | 8% | 9% | 12% | 31% | 35% | 26% |
| Minimum capital requirements | 26% | 20% | 8% | 48% | 13% | 32% | 19% | 25% | 18% | 25% | 29% | 25% | 26% | 38% | 25% |
| Other administrative burdens | 16% | 17% | 11% | 76% | 10% | 35% | 34% | 27% | 16% | 7% | 2% | 9% | 20% | 23% | 22% |
| Time to complete registration | 28% | 12% | 15% | 63% | 9% | 13% | 25% | 20% | 11% | 18% | 3% | 18% | 11% | 31% | 20% |
| Difficulty of getting information | 14% | 1% | 14% | 58% | 12% | 17% | 30% | 19% | 10% | 22% | 5% | 14% | 9% | 23% | 18% |
| Labor market rules | 4% | 18% | 9% | 48% | 6% | 23% | 41% | 9% | 23% | 3% | 1% | 20% | 9% | 7% | 16% |