

## Appendix 2: Additional capital market indicators

**Table A.1**  
**Factors instrumental to capital market development**

Countries: BG=Bulgaria; RO=Romania; SI=Slovenia; HU=Hungary; SK=Slovakia; PL=Poland; LT=Lithuania; LV=Latvia; EE=Estonia; DK=Denmark; FI=Finland; SE=Sweden. Sources: WBDB=World Bank Doing Business; GCR=Global Competitiveness Report; WB=World Bank; WBES=World Bank Enterprise Surveys; NOMX=Nasdaq OMX Baltic; TI=Transparency International.

Factor	Indicator	BG	RO	SI	HU	SK	PL	LT	LV	EE	DK	FI	SE	Source	Year
Shareholder and creditor protection (legislation)	Extent of director liability index (0=least to 10=most)	1	5	9	4	4	2	4	4	3	5	4	4	WBDB	2010
	Ease of shareholder suits index (0=difficult to 10=easy)	7	4	8	7	7	9	6	8	6	7	7	7	WBDB	2010
	Strength of creditors' legal rights index (0=weak to 10=strong)	8	8	5	7	9	9	5	9	7	9	7	5	WBDB	2010
Regulation and enforcement	Regulation of securities exchanges (1=ineffective to 7=effective)	3.6	3.7	4.3	4.5	3.9	5.0	4.4	3.7	4.7	5.3	5.6	5.9	GCR	2010
Competition and affordability	Affordability of financial services (1=not affordable to 7=affordable)	3.5	3.6	4.1	3.5	4.6	4.3	4.3	4.1	4.5	5.0	5.7	5.5	GCR	2010
	Interest rate spread (lending rate minus deposit rate, %)	5.2	5.3	4.5	5.2			3.6	8.2	4.6				WB	2009
	Value of collateral needed for a loan (% of the loan amount)	145	128	116		122	129	99	140	103				WBES	2009
Transparency / disclosure	Extent of disclosure index (0=least to 10=most)	10	9	3	2	3	7	5	5	8	7	6	8	WBDB	2010
	Investor relations of listed companies index (0=worst to 100=best)							73	70	81				NOMX	2010
Liberalism of capital markets	Restrictions on capital flows (1=highly restrictive to 7=not restrictive)	3.7	4.1	4.2	5.2	4.9	4.5	4.5	4.7	5.7	5.1	6.1	5.9	GCR	2010
Domestic saving	Gross domestic savings (% of GDP)	17.7	23.6	25.0	23.2	33.4	20.3	15.6	18.0	24.7	20.9	20.8	23.4	WB	2009 <sup>1</sup>
Corruption and informal sector	Corruption perceptions index (rescaled so 0=no corruption to 10=much corruption)	6.4	6.3	3.6	5.3	5.7	4.7	5.0	5.7	3.5	0.7	0.8	0.8	TI	2010
	Informal payments to public officials (% of firms)	8.5	9.8	5.4	4.0	9.1	5.0	8.5	11.3	1.6				WB	2009
	% of firms identifying competitors in the informal sector as a major constraint	28.1	24.9	12.2		17.8	27.6	29.4	27.1	8.2				WBES	2009

<sup>1</sup> Data for HU and LT are for 2008.

**Table A.2**

**Availability of financing**

Countries: BG=Bulgaria; RO=Romania; SI=Slovenia; HU=Hungary; SK=Slovakia; PL=Poland; LT=Lithuania; LV=Latvia; EE=Estonia; DK=Denmark; FI=Finland; SE=Sweden.  
Sources: GCR=Global Competitiveness Report; WBES=World Bank Enterprise Surveys; GEM=Global Entrepreneurship Monitor; Groh=Index (updated) from Groh et al. (2010).

Financing Type	Indicator	BG	RO	SI	HU	SK	PL	LT	LV	EE	DK	FI	SE	Source	Year
General availability	Availability of financial services	4.1	3.9	4.3	5.0	5.2	4.8	4.5	4.3	5.1	5.6	6.0	6.3	GCR	2010
	% of firms identifying access to finance as a major constraint	17.2	36.9	16.7		17.7	22.0	26.9	27.7	6.5				WBES	2009
Equity market	Ease of financing through local equity market (1=difficult to 7=easy)	3.1	3.1	3.2	2.6	2.6	3.7	3.3	2.5	3.6	3.7	3.9	4.4	GCR	2010
Debt market	Ease of access to loans (1=difficult to 7=easy)	2.8	2.6	2.9	2.5	3.2	2.9	2.2	2.0	3.0	3.5	4.5	4.2	GCR	2010
Venture capital	Venture capital availability (1=scarce to 7=plentiful)	2.5	2.4	2.9	2.2	2.6	2.7	2.2	2.2	3.3	3.3	4.2	4.0	GCR	2010
Financing constraints	Internal finance (retained earnings) for investment (% of investments)	64.2	55.3	54.1		58.7	58.3	46.0	59.3	64.4				WBES	2009
	Amount of informal capital (friends/relatives) used by entrepreneurs (% of GDP)		1.0	1.3	0.6				3.3		1.0	0.4		GEM	2009
	Venture capital / private equity attractiveness index (0=unattractive to 100=attractive)	44.1	41.0	46.8	52.0	39.1	57.4	41.3	29.4	44.8	81.8	82.3	85.0	Groh	2011