

Immediate and Delayed Effect of Governance in Entrepreneurship: an Analysis by Country Income Level

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Abstract

Entrepreneurship and business creation is a priority area for many governments worldwide. Public administration can help to promote entrepreneurship through its decisions and the definition and implementation of public policies. This study analyzes the effect of six dimensions of quality of governance in business creation. We used panel data for a sample of 206 countries over the period of 2004 to 2014, divided into four subsamples generated from the income level of the countries. Furthermore, the study adopted a dual perspective, considering both immediate effects and delayed effects, resulting in two research hypotheses. The results show that for high-income countries, the political stability and absence of violence variable is significant. Adopting two-year lags in the statistical model resulted in a greater number of statistically significant explanatory variables. No homogeneous pattern is observed in the variables for statistical significance regarding the four income levels. This finding implies that the focus on good governance should primarily be regarded as a long-term perspective, rather than in terms of short cycles or simply electoral cycles.

Keywords:

Governance, entrepreneurship, panel data, delays, income level

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Introduction

In recent decades, economic, political and social changes have highlighted the role of business creation. A wide range of scientific papers has studied the economic effect of entrepreneurship, in particular in relation to employment and economic growth (Anokhin, Grichnik, & Hisrich, 2008; Klapper, Laeven, & Rajan, 2006; Minniti & Levesque, 2008; Naudé, 2010), as well as its influence on the development and well-being of societies (Acs, Desai, & Hessels, 2008a; Amorós & Bosma, 2013). This has made it possible to perceive the importance of business creation, considered by many as a strategic vector in the definition of growth and development policies.

From a research perspective, one of the main issues is identifying the determinants of entrepreneurship. The term “governance” has recently become a key element in government and corporate policies and is used to characterize the process and institutions by which authority is exercised in a country (Kaufmann, Kraay, & Matruzzi, 2010; Ong, 2006). In this context, good governance has been related to transparency, the rule of law, efficient public services and civil rights, among other aspects (World Bank, 2013).

In this study, we try to understand the determinants underlying the creation of firms at a global level. In particular, we focus on the role played by the quality of governance, understood as the ability demonstrated by a government and the respective public institutions to provide services and to develop and apply rules.

To obtain solid conclusions concerning the role of the quality of governance in the creation of new companies, we used a large sample, encompassing more than 200 countries around the world, using as a reference the database created by the World Bank. A set of six governance indicators for the period 2004–2014 were included, and panel data analysis was applied. To identify the effects of the quality of governance on the creation of companies, we considered both the immediate and the delayed effects. Furthermore, we sought to determine if the income level of the countries is a key factor in this explanation, filling a research gap on the subject of entrepreneurship. With the objective of including the different environments of the countries, we formed four groups of countries with homogeneous characteristics in relation to their income level.

This paper is divided into five main sections. Section 2 provides a literature review, discussing the role of the quality of governance in the creation of new businesses. In the third section, the methodology is described, addressing the data, variables and statistical models. In section 4, we present and analyze the statistical results obtained on the basis of univariate and multivariate approaches. Finally, section 6 presents the primary findings and highlights the most important aspects of this research, as well as future lines of research in this area.

Literature Review

Human behavior is influenced by the institutional environment. Thus, entrepreneurship also depends on institutional factors, which can restrict or encourage the creation of new firms (Ajzen, 1991). In this area, several researchers have proposed the use of institutional factors to understand entrepreneurship (Álvarez, Urbano, Coduras, & Ruiz,

2011; Salimath & Cullen, 2010; Thornton, Ribeiro-Soriano, & Urbano, 2011). Acs, Desai, & Klapper (2008b) and Thai and Turkana (2014) propose that entrepreneurship plays an important role in introducing changes to the economy, and therefore it is useful for those responsible for policy to understand the factors that drive entrepreneurs to set up businesses (Thai & Turkana, 2014). The identification of institutional barriers to the creation of new businesses will not only contribute to a better understanding of the current situation, but will also help in developing policies designed to promote and stimulate entrepreneurship. In the same vein, Wennekers, Uhlaner, and Thurik (2002) and Bjørnskov and Foss (2008) argue for the importance of governance in promoting entrepreneurship.

Through a review of the literature on entrepreneurship, Gedeon (2010) concludes that the level of entrepreneurship varies systematically among countries around the world. For their part, McMillan and Woodruff (2002) and Bettignies and Brander (2007) argue that economic and institutional conditions are important determinants for the development of entrepreneurship. However, the promotion of entrepreneurship requires effective governance that is sustainable and adopts a long-term perspective (Gugler & Chaisse, 2009). In focusing on improving the quality of governance, governments can take a diverse range of actions to promote entrepreneurship. However, in the case of countries that are characterized by low levels of economic development, these actions may be less viable because the regulatory framework in these countries is generally weak (Thai & Turkina, 2014). This raises questions about the ability of such countries to protect entrepreneurs against corruption, which can lead them to operate in the informal sector (Dreher & Schneider, 2010).

Multiple studies have concluded that there is a positive relationship between the quality of governance and certain indicators related to economic well-being: the rate of human development assessed by the United Nations Development Programme (Rose-Ackerman, 2004), the growth of gross domestic product (GDP) per capita (Kaufmann & Kraay, 2003) and entrepreneurship (Amorós & Masferrer, 2010; Dau & Cuervo-Cazurra, 2014; Grosanu, Bota-Avram, Rachisan, Vesselinov, & Tiron-Tudor, 2015; Kaufmann, Kraay, & Mastruzzi, 2006; Thai & Turkina, 2014). Moreover, Klapper, Amit, Guillén, & Quesada (2007) conclude that there is a similar relationship between good governance and entrepreneurship.

A common element in most of the studies carried out on the effect of governance on entrepreneurship is the adoption of so-called governance quality indicators, developed within the scope of the “Worldwide Governance Indicators” project and disseminated by the World Bank. These indicators were created by Kaufmann et al. (2010) and consider six dimensions: voice and accountability; political stability and the absence of violence/terrorism; government effectiveness; regulatory quality; the rule of law; and control of corruption. Examples of the application of this methodology include research by Thai and Turkina (2014) and Klapper and Love (2010).

Thai and Turkina (2014) conclude that governance’s impact on the development of entrepreneurship is limited. Similarly, based on a study of the relationship between several indicators of governance and business creation over the period 2004–2009, Klapper and Love (2010) found that none of these indicators showed statistical

significance. According to them, this may be because governance is a slow-moving variable, giving reason to believe that improvements in this variable are only observed over longer periods of time, and also because the study considers a time interval of six years, which may be insufficient to record significant changes in governance quality indicators.

Considering the contradictory results obtained in previous studies on this topic, it seems necessary to develop a new study, exploring new methods and extending the sample studied to obtain more solid conclusions. Therefore, based on the analysis of the results obtained in previous studies, the following research hypotheses are defined:

H1: The various dimensions of governance have an immediate effect on the creation of new enterprises in countries of different income groups.

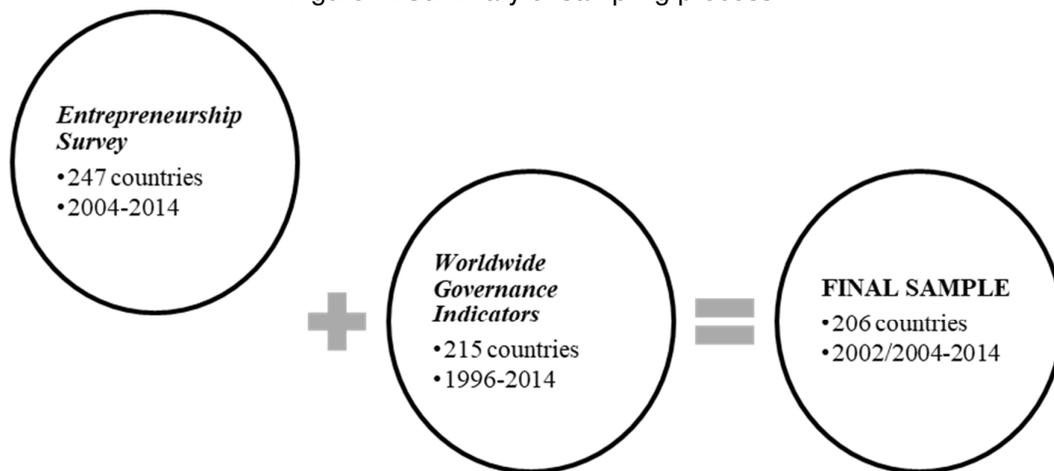
H2: The various dimensions of governance have a delayed effect on the creation of new enterprises in countries of different income groups.

Methodology

Sample

To test the hypotheses of this study, we employed a sample with data for 206 countries. The sample is drawn from two World Bank databases. Figure 1 illustrates the process of elaboration.

Figure 1: Summary of sampling process



The first of the databases, based on the *World Bank Group Entrepreneurship Survey*, contains annual information for 247 countries concerning the number of new businesses registered over the period 2004–2014. The second, the *Worldwide Governance*

Indicators (WGI) database, provides aggregate and individual governance indicators for 215 economies over the period 1996–2014.

The final study sample only included data from those countries available in both databases (206). Regarding the period of study, all of the years available for the measure of entrepreneurial activity (2004–2014) were included, whereas for the governance indicators, the period was limited to 2002–2014, taking into account the lags used in the econometric analysis.

Definition of Variables

Dependent Variable: Density

As in Grosanu et al. (2015) and Klapper and Love (2010), in this work entrepreneurship is measured through the World Bank Group Entrepreneurship Survey, understood as the number of new limited liability firms registered in the calendar year per 1,000 people aged 15 to 64 years. Following Grosanu et al. (2015), a logarithmic transformation has been applied to the dependent variable.

Independent Variables: Governance

In this study, as in Amorós and Masferrer (2010), Grosanu et al. (2015) and Klapper and Love (2010), we used as regressors the six dimensions of governance or governance quality indicators developed by Kaufmann et al. (2010) for the Worldwide Governance Indicators project: control of corruption (CC); political stability and lack of violence/terrorism (PV); regulatory quality (RQ); rule of law (RL); voice and accountability (VA); and government effectiveness (GE).

Each of the six indicators has scores ranging from -2.5 to 2.5, with the highest scores reflecting higher governance (Kaufmann et al., 2010). Figure 2 presents the definition of each variable.

Control Variable: GDP Per Capita

As macroeconomic control variable, we used the natural logarithm of GDP per capita, using purchasing power parity (PPP) to control for the possible effect of the general level of development of the country (Klapper & Love, 2010).

Model Specification

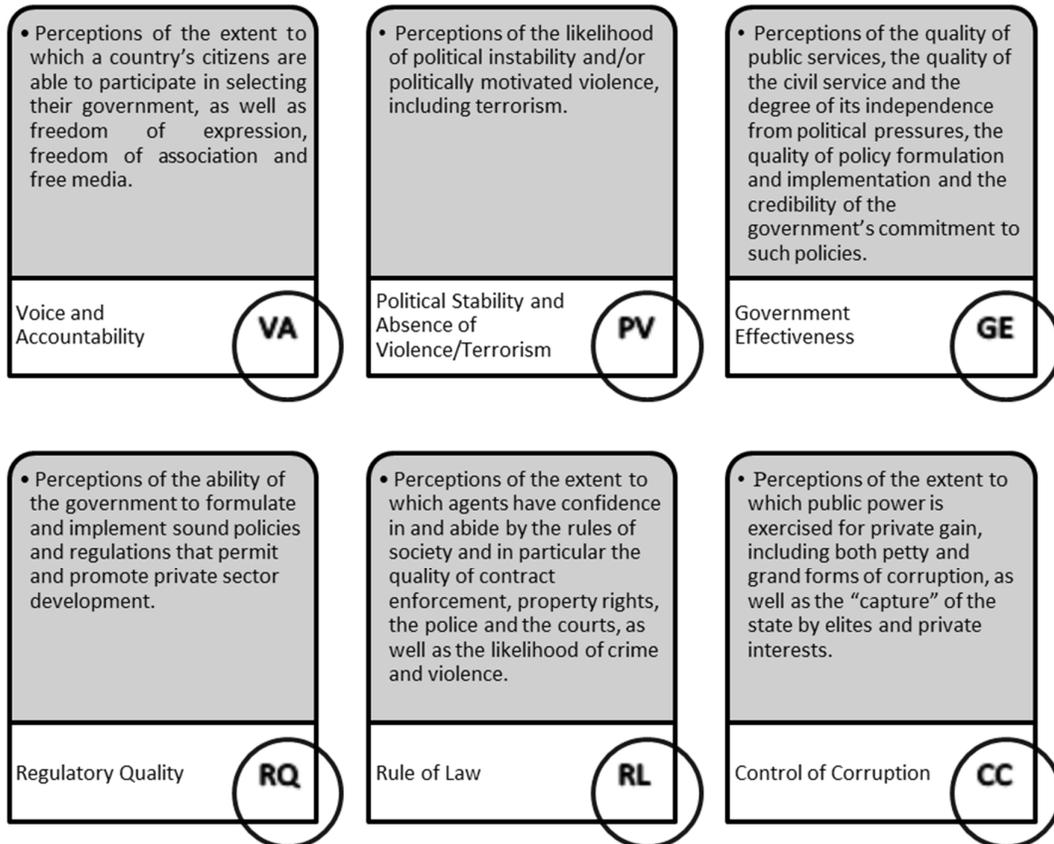
This study employed panel data methodology. Assuming that countries are heterogeneous, i.e., that each has its own individual behavior, panel data can control for unobservable heterogeneity. The basic specification of our model is given by the following equation:

$$\text{DENSITY}_{it} = \beta_1 \text{CC}_{it} + \beta_2 \text{GE}_{it} + \beta_3 \text{PV}_{it} + \beta_4 \text{RL}_{it} + \beta_5 \text{RQ}_{it} + \beta_6 \text{VA}_{it} + \beta_7 \text{GDP}_{it} + \alpha_i + \lambda_t + \varepsilon_{it}$$

[Model 1]

where the variable α_i controls the individual invariant effect over time (unobserved heterogeneity) of the countries, parameter λ_t represents temporal dummies that aim to gather global macroeconomic variables common to all countries that change over time (oil prices, interest rates, etc.) and ϵ_{it} is the random perturbation.

Figure 2: Definition of independent variables



Source: Prepared by the authors based on Kaufmann et al. (2010).

In addition, to test Hypothesis 2, one- and two-year lags are included for the independent variables of governance (CC, GE, PV, RL, RQ and VA), as well as the control variable (GDP), that is, variables are incorporated into t-1 (Model 2) and t-2 (Model 3):

$$\text{DENSITY}_{it} = \beta_1 \text{CC}_{it-1} + \beta_2 \text{GE}_{it-1} + \beta_3 \text{PV}_{it-1} + \beta_4 \text{RL}_{it-1} + \beta_5 \text{RQ}_{it-1} + \beta_6 \text{VA}_{it-1} + \beta_7 \text{GDP}_{it-1} + \alpha_i + \lambda_t + \epsilon_{it} \quad [\text{Model 2}]$$

$$\text{DENSITY}_{it} = \beta_1 \text{CC}_{it-2} + \beta_2 \text{GE}_{it-2} + \beta_3 \text{PV}_{it-2} + \beta_4 \text{RL}_{it-2} + \beta_5 \text{RQ}_{it-2} + \beta_6 \text{VA}_{it-2} + \beta_7 \text{GDP}_{it-2} + \alpha_i + \lambda_t + \epsilon_{it} \quad [\text{Model 3}]$$

To estimate these two models, the fixed effects (intragroup) estimator was used, including the individual effects of the country and years and the standard errors grouped at the country level (vce (robust)).

Finally, each of the three models proposed (Models 1, 2 and 3) was replicated for each of the four groups of countries established according to their income level (ANNEX 1) in order to test the existence of differences between these groups.

Empirical Analysis

This section comprises two sub-sections. In the first, a descriptive analysis of the variables used in this work is provided. In the second, the results obtained after applying the models previously defined are presented.

Univariate Analysis

This analysis is similar to that in Klapper and Love (2010). Given that, in the subsequent multivariate analysis, the values of the independent and lagged (one and two years) control variables are used, the descriptive statistics of these variables have been calculated considering the period 2002–2014. Table 1 presents the descriptive statistics of the dependent variable and the independent and control variables.

Table 1: Descriptive statistics

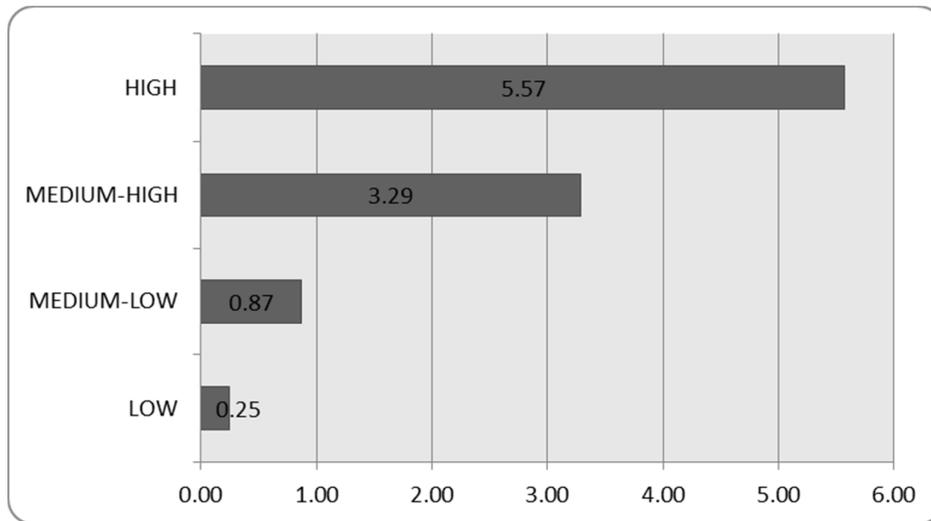
Variable	Obs.	Average	Standard deviation	Minimum	Maximum
DENSITY ¹	1119	3.245	4.737	0.002	44.130
CC	2599	-0.028	1.003	-1.924	2.553
GE	2593	-0.027	1.000	-2.480	2.430
PV	2616	-0.035	1.001	-3.324	1.938
RL	2628	-0.034	0.998	-2.669	2.121
RQ	2592	-0.028	0.997	-2.675	2.231
VA	2628	-0.029	1.003	-2.284	1.826
GDP ¹	2431	15780.01	18853.07	405.48	140649.20

NOTE: ¹ variable is not in logarithm

On average, over three new businesses (3.245) are created per 1000 people aged 15–64 years. However, the results show important differences in the average density of new business creation among income groups. Figure 3 shows the average values of the entry density of new companies for the period and the income levels considered.

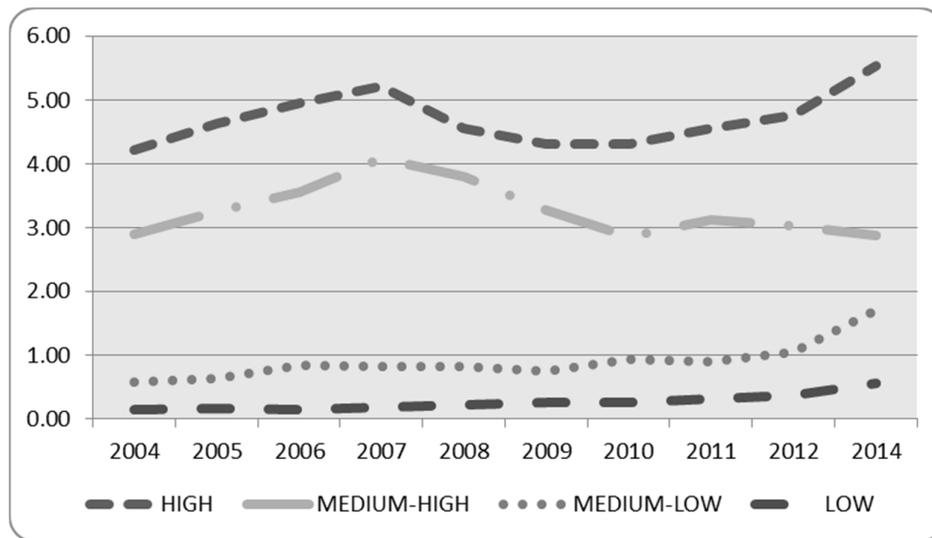
The data by income level (Figure 3) show average entry density rates for the period 2004–2014, ranging from more than five companies (5.57) in countries with high income levels to less than one company in countries at the middle-low (0.87) and low (0.25) levels. At the high-income level, more than five new companies are created annually per 1000 individuals of working age, whereas in the low-income group, only one company is registered per 4000 people of working age.

Figure 3: Average density of new business creation by income level (2004–2014)



In addition, Figure 4 shows the evolution of the mean input density by region over the study period.

Figure 4: Average density evolution of new business creation by income level (2004–2014)

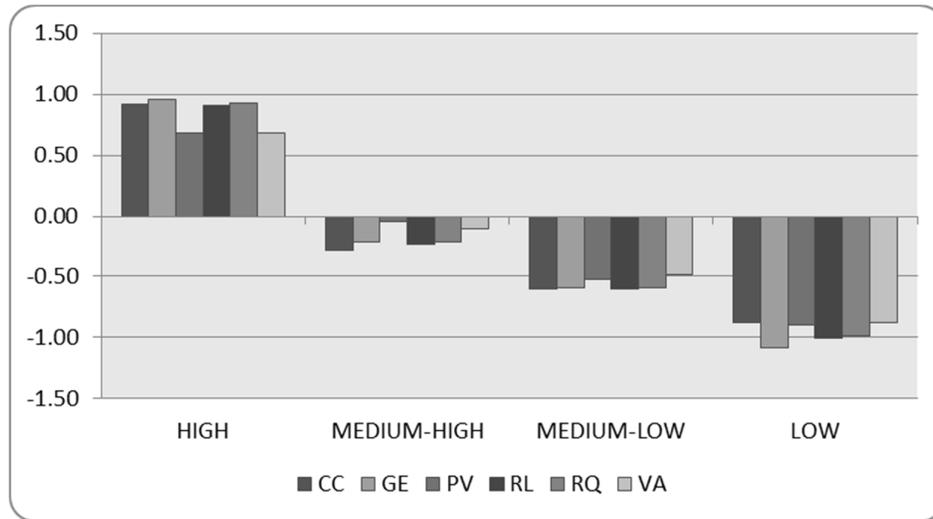


In the period 2004–2014, the annual rate of new companies was always higher at the high-income level, followed by the medium-high, medium-low and low levels, in this order. In addition, all income levels follow a positive trend in terms of the average annual rate except for the medium-high income level. This latter group appears to be unable to recover from the fall suffered in 2007, which also seems to affect countries in the high-income level, although in this group there is a recovery from 2010 that leads to closing values for the period above those in 2007.

Data for the independent variables in Table 1 show negative mean values for the six measures of governance during the period 2002–2014. The indicator with the highest

mean is government effectiveness (GE) at -0.027, and the indicator with the lowest mean is political stability and absence of violence/terrorism (PV) at -0.035. However, as with the dependent variable, the governance indicators show significant differences between income levels (Figure 5).

Figure 5: Average of governance variables by income level (2004–2014)



Considering the income groups (Figure 5), only the high-income level presents positive average values for all governance indicators. The remaining income groups (medium-high, middle-low and low) show negative values for all measures of governance, such that the lower the income level is, the lower the values are.

Multivariate Analysis

This section shows the results of the estimations using the fixed effects estimator under the specifications provided previously. In particular, Table 2 shows the results of the estimations analyzing the possible immediate effect of the different measures of governance (CC, GE, PV, RL, RQ and VA) on the density of entry of new firms by income group (Models 1.A, 1.B, 1.C and 1.D), i.e., without delay, related to Hypothesis 1. The models in Table 3 (Models 2.A, 2.B, 2.C and 2.D) do the same but consider the possibility of delayed impact using the one-year lagged independent variables (t-1). Finally, the models in Table 4 (Models 3.A, 3.B, 3.C and 3.D) incorporate a lag of two years (t-2). Models 2 and 3, in Table 3 and Table 4, respectively, relate to Hypothesis 2. All models include the control variable (GDP) (without a lag, with a one-year and with a two-year lag in Models 1, 2 and 3, respectively) and the dummy variables that control for the temporal effect.

Table 2: Immediate effect of governance on entrepreneurship by income level

	MODEL 1.A	MODEL 1.B	MODEL 1.C	MODEL 1.D
INCOME LEVEL	HIGH	MEDIUM-HIGH	MEDIUM-LOW	LOW
CC	-0.091 (0.127)	-0.428 (0.252)	0.052 (0.179)	0.241 (0.712)
GE	0.044 (0.166)	0.227 (0.297)	0.331 (0.211)	0.803 (0.863)
PV	-0.216* (0.100)	-0.242 (0.175)	-0.07 (0.048)	-0.079 (0.270)
RL	-0.028 (0.235)	0.084 (0.343)	-0.489 (0.293)	-0.058 (0.721)
RQ	0.248 (0.180)	0.178 (0.189)	0.235 (0.199)	0.102 (0.463)
VA	0.116 (0.248)	-0.068 (0.215)	-0.151 (0.267)	0.706 (0.457)
GPP	1.201*** (0.229)	0.420 (0.646)	1.869*** (0.480)	0.878 (0.796)
_cons	-11.461*** (2.410)	-3.476 (6.126)	-16.353*** (4.176)	-6.054 (5.976)
Year dummies	Yes	Yes	Yes	Yes
Observations	401	321	258	107
Countries	45	39	32	16
R ²	0.258	0.078	0.437	0.467
F-test	15.96***	29.68***	20.79***	

Standard Robust errors in parentheses. * p < 0.05; **p < 0.01; *** p < 0.001.

The results for Model 1 (Table 2) do not show any immediate significant effect of the governance indicators on the entry density for the medium-high (Model 1.B), medium-low (Model 1 .C) or low (Model 1.D) income level groups. However, for the group of high-income countries (Model 1.A), there is a negative effect of political stability and absence of violence/terrorism (PV) on the rate of entrepreneurship. Thus, Hypothesis 1 is validated only for the set of countries with higher levels of income in relation to political stability.

The results for a delayed effect (by one year) of the quality of governance on entrepreneurship (Model 2, Table 3) are in line with those obtained for the non-lagged model (Model 1, Table 2). Specifically, the immediate negative effect of political stability on the entry density of new companies in the group of high-income countries is maintained one year later (Model 2.A), thus validating Hypothesis 2 only for this group of countries and variable.

Table 3: Delayed effect of governance on entrepreneurship by level of income (1-year lag)

	MODEL 2.A	MODEL 2.B	MODEL 2.C	MODEL 2.D
INCOME LEVEL	HIGH	MEDIUM-HIGH	MEDIUM-LOW	LOW
CC	-0.126 (0.148)	-0.205 (0.318)	-0.066 (0.188)	-0.447 (0.574)
GE	0.131 (0.137)	-0.228 (0.334)	0.278 (0.225)	1.44 (0.696)
PV	-0.215* (0.102)	-0.111 (0.131)	-0.054 (0.095)	0.541 (0.267)
RL	-0.073 (0.197)	0.222 (0.280)	-0.193 (0.251)	0.036 (0.527)
RQ	0.271 (0.205)	0.094 (0.183)	-0.02 (0.197)	-0.284 (0.659)
VA	0.102 (0.216)	-0.265 (0.239)	-0.068 (0.198)	-0.208 (0.498)
GPP	0.948*** (0.216)	0.038 (0.677)	1.718** (0.583)	-0.242 (1.462)
_cons	-8.784*** (2.260)	0.254 (6.405)	-15.060** (5.018)	1.841 (10.593)
Year dummies	Yes	Yes	Yes	Yes
Observations	402	320	257	106
Countries	45	39	32	16
R ²	0.219	0.054	0.408	0.515
F-test	12.5***	5.47***	16.88***	.

Standard robust errors in parentheses. * p < 0.05; **p < 0.01; *** p < 0.001.

When the lag applied to the independent variables is extended to two years (Model 3, Table 4), new significant variables appear. In particular, there are positive effects from government effectiveness (GE) in high-income countries (Model 3.A), rule of law (RL) in middle-income countries (Model 3.B) and political stability (PV) in low-income countries (Model 3.D). These results partially confirm Hypothesis 2.

Table 4: Delayed effect of governance on entrepreneurship by level of income (2-year lag)

	MODEL 3.A	MODEL 3.B	MODEL 3.C	MODEL 3.D
INCOME LEVEL	HIGH	MEDIUM-HIGH	MEDIUM-LOW	LOW
CC	-0.216 (0.155)	-0.171 (0.280)	0.028 (0.167)	-0.203 (0.422)
GE	0.297* (0.143)	-0.238 (0.324)	0.183 (0.213)	1.235 (0.591)
PV	-0.186 (0.109)	-0.009 (0.110)	-0.064 (0.128)	0.506* (0.172)
RL	0.096 (0.193)	0.610* (0.276)	-0.108 (0.285)	-0.003 (0.442)
RQ	0.182 (0.204)	-0.15 (0.201)	-0.142 (0.168)	-0.441 (0.704)
VA	0.087 (0.203)	-0.449 (0.260)	0.115 (0.212)	-0.635 (0.535)
GPP	0.746** (0.255)	0.241 (0.565)	1.374* (0.631)	-0.914 (1.719)
_cons	-6.838* (2.613)	-1.584 (5.334)	-12.032* (5.421)	6.234 (12.266)
Year dummies	Yes	Yes	Yes	Yes
Observations	402	318	256	105
Countries	45	39	32	15
R ²	0.218	0.118	0.381	0.512
F-test	10.89***	3.66***	13.51***	.

Standard robust errors in parentheses. * p < 0.05; **p < 0.01; *** p < 0.001.

Conclusions

Entrepreneurship and business creation represent a priority area for many governments worldwide. Public administration can promote entrepreneurship through its decisions and the definition and implementation of public policies.

Our study analyzes the effect of governance on the creation of companies using panel data methodology applied to a sample of 206 countries over the period of 2004 to 2014 using data from World Bank databases concerning the six dimensions of governance quality. To gain an understanding of the effect of the quality of governance on the density of new companies, a dual perspective was adopted, giving rise to two research hypotheses. The first posited an immediate effect of governance on entrepreneurship, and the second suggested a delayed effect. In both cases, the selected methodology was applied to four subsamples, generated from the income levels of the countries, closely following the proposal of Klapper and Love (2010).

For countries with high incomes, the results show that the variable political stability/absence of violence has greater statistical significance, either in contemporary terms or with a delay of a single period, suggesting that maintaining conditions that reduce the likelihood of political instability, violence or terrorism can be a determining factor in the creation of companies in these countries. Moreover, these results also suggest that this variable may be less slow moving compared to the remaining variables,

so that citizens, entrepreneurs and investors quickly react to phenomena of instability and violence, which is reflected in the level of business creation.

Adopting a two-year lag in the statistical model, a greater number of explanatory variables become statistically significant. In high-income countries, the effectiveness of governance is shown to be statistically significant, whereas in the middle-high and low-income countries there is statistical significance for the variables regulatory quality and political stability. There is no homogeneous pattern in the variables with statistical significance regarding the four income levels. The results obtained are partially compatible with the opinion of Klapper and Love (2010), according to which the dimensions of governance seem to be slow-moving in terms of their impact, so their effects must be examined over longer periods of time. This implies that the focus on good governance should be considered primarily from a long-term perspective, rather than following the logic of short cycles or simply electoral cycles. Therefore, we believe that the results of this study can have important implications for policymakers and for companies in general.

Future research should increase the number of lags in the statistical model to gain a better understanding of the long-term effects of governance on entrepreneurship and create new subsamples of countries considering the degree of government intervention in countries' economies.

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ANNEX 1: COUNTRIES BY INCOME GROUP

HIGH			MEDIUM-HIGH		MEDIUM-LOW		LOW
Andorra	Israel	Sweden	Albania	Marshall Islands	Armenia	Pakistan	Afghanistan
Antigua and Barbuda	Italy	Switzerland	Algeria	Mauritius	Bangladesh	Papua New Guinea	Benin
Argentina	Japan	Trinidad and Tobago	American Samoa	Mexico	Bhutan	Philippines	Burkina Faso
Aruba	Jersey, Channel Islands	United Arab Emirates	Angola	Mongolia	Bolivia	Samoa	Burundi
Australia	Korea, Rep.	United Kingdom	Azerbaijan	Montenegro	Cabo Verde	Sao Tome and Principe	Cambodia
Austria	Kuwait	United States	Belarus	Namibia	Cameroon	Senegal	Central African Republic
Bahamas, The	Latvia	Uruguay	Belize	Palau	Congo, Rep.	Solomon Islands	Chad
Bahrain	Liechtenstein	Venezuela, RB	Bosnia and Herzegovina	Panama	Cote d'Ivoire	Sri Lank	Comoros
Barbados	Lithuania	Virgin Islands (U.S.)	Botswana	Paraguay	Djibouti	Sudan	Congo, Dem. Rep.
Belgium	Luxembourg		Brazil	Peru	Egypt, Arab Rep.	Swaziland	Eritrea
Bermuda	Macao SAR, China		Bulgaria	Romania	El Salvador	Syrian Arab Republic	Ethiopia
Brunei Darussalam	Malta		China	Serbia	Georgia	Tajikistan	Gambia, The
Canada	Monaco		Colombia	South Africa	Ghana	Timor-Leste	Guinea
Cayman Islands	Netherlands		Costa Rica	St. Lucia	Guatemala	Ukraine	Guinea-Bissau
Chile	New Caledonia		Cuba	St. Vincent and the Grenadines	Guyana	Uzbekistan	Haiti
Croatia	New Zealand		Dominica	Suriname	Honduras	Vanuatu	Korea, Dem. Rep.
Cyprus	Norway		Dominican Republic	Thailand	India	Vietnam	Liberia
Czech Republic	Oman		Ecuador	Tonga	Indonesia	West Bank and Gaza	Madagascar
Denmark	Poland		Fiji	Tunisia	Kenya	Yemen, R	Malawi
Equatorial Guinea	Portugal		Gabon	Turkey	Kiribati	Zambia	Mali
Estonia	Puerto Rico		Grenada	Turkmenistan	Kosovo		Mozambique
Finland	Qatar		Iran, Islamic Rep.	Tuvalu	Kyrgyz Republic		Nepal
France	Russian Federation		Iraq		Lao PDR		Niger
Germany	San Marino		Jamaica		Lesotho		Rwanda
Greece	Saudi Arabia		Jordan		Mauritania		Sierra Leone
Greenland	Seychelles		Kazakhstan		Micronesia, Fed. Sts.		Somalia
Guam	Singapore		Lebanon		Moldova		South Sudan
Hong Kong SAR, China	Slovak Republic		Libya		Morocco		Tanzania
Hungary	Slovenia		Macedonia, FYR		Myanmar		Togo
Iceland	Spain		Malaysia		Nicaragua		Uganda
Ireland	St. Kitts and Nevis		Maldives		Nigeria		Zimbabwe