

TACKLING CORONAVIRUS (COVID-19)
CONTRIBUTING TO A GLOBAL EFFORT

OECD EURASIA WEBINARS

Improving the Legal Environment for Business in Central Asia
Panel 2: A focus on the operational environment for domestic firms

23 September 2020

10:00 – 12:00 (GMT+2: France, Belgium)
11:00 – 13:00 (GMT+3: Belarus, Moldova, Ukraine)
12:00 – 14:00 (GMT+4: Armenia, Azerbaijan, Georgia)
12:30 – 14:30 (GMT+4.30: Afghanistan)
13:00 – 15:00 (GMT+5: Tajikistan, Turkmenistan, Uzbekistan)
14:00 – 16:00 (GMT+6: Kazakhstan, Kyrgyzstan)
16:00 – 18:00 (GMT+8: Mongolia)

OECD Eurasia Competitiveness Programme



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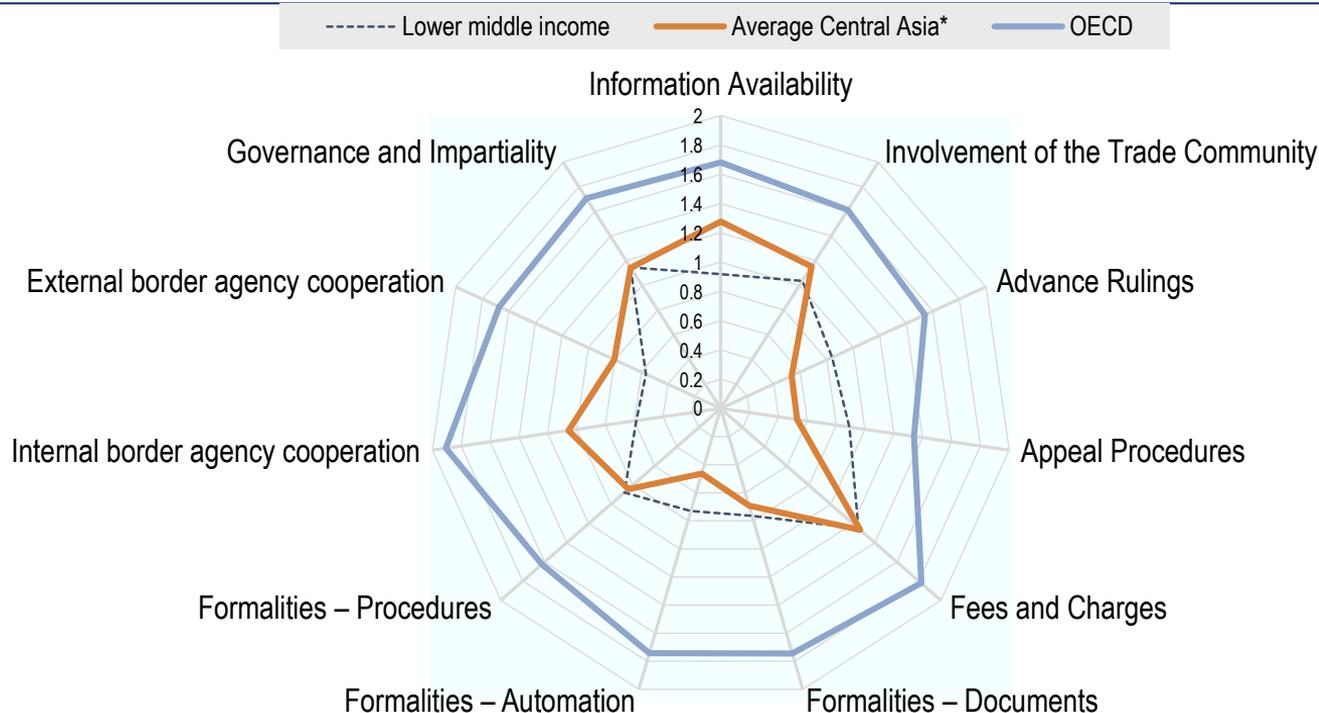


Implementation often lags significant legal and policy change, creating an unpredictable and sometimes complicated business climate

- All governments have **taken significant steps** to improve their business climates, streamlining and digitalising regulations and procedures.
- But efforts are too often targeted at the **low-hanging fruit of reform**, with challenging issues side-lined.
- Uneven **implementation and changeability** has widened a gap between *de jure* conditions and the *de facto* environment.
- Major issues faced by businesses in the region include:
 - Despite significant reforms in most countries, especially in digitalising tax administration, **tax policy and administration remains a widespread cause for concern** for businesses.
 - **Customs regulations and border procedures remain expensive and complicated**, reducing trade flows, and undermining the region's competitiveness for export and trade.
 - **Dispute settlement** is a long-standing, key concern for firms, especially in domestic courts.
- Left unaddressed, these issues will combine to **undermine the region's competitiveness**, making the recovery from COVID-19 harder and slower.



Central Asia's performance in the OECD Trade Facilitation Indicators illustrates the gap between *de jure* provisions and their *de facto* implementation



Business climate reform priorities centre on the operational environment for SMEs, contract enforcement, the legal framework for investment, and taxation

Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
Consistently and thoroughly implement the new code for entrepreneurs	Streamline legislation and service delivery for entrepreneurs and small businesses	Improve implementation of existing investment and business laws , improve the accessibility of necessary information	Enforce, streamline, and publish all legislation on investment on the Ministry of Justice legal database to ensure transparency	Ensure proper implementation of the new investment law and remove sectoral restrictions
Ensure dispute settlement is improved for all firms irrespective of size	Ensure transparent, fair and efficient contract enforcement for businesses	Improve the enforcement of contracts and arbitral decisions in domestic courts	Develop a simplified targeted legal framework and support for SMEs and small entrepreneurs	Streamline and consolidate business-related legislation and licenses for domestic firms and entrepreneurs
Enhance trade facilitation and improve co-operation between agencies involved in export procedures	Simplify the tax code and tax administration for companies of all sizes	Simplify tax administration, improve consistency and transparency	Streamline business registration and licensing, introduce a one-stop shop	Ensure changes to tax requirements are predictable , and improve tax administration for SMEs



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Thank you

For more information

 <https://www.oecd.org/eurasia/>

 <https://twitter.com/OECDGlobal>

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