

11 Procedures to Start a Business

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By conditions for business startup, the World Bank ranked Serbia as 90th out of 179 countries. According to this organization's "Doing Business" report, startups are required to go through 11 procedures lasting for a total of 23 days in order to start a business, because the registration procedure has not been integrated within one institution yet. This information was presented at the European Commerce Registers Forum held recently in Belgrade, with participants from more than 30 countries.

One-stop-shop system

The integration of all procedures required to start a business, into what is known as a "one-stop-shop" system, is expected to happen this year. According to Zvonko Obradović, Director of the Serbian Business Registers Agency, the main condition for this to happen is the amendment to the Law on Tax Procedure, which prescribes that a tax identification number can only be assigned at the Tax Administration Office.

Conference participants had the opportunity to hear more about the Doing Business methodology from Yara Salem, the Doing Business Project Team Leader of the World Bank's Financial and Private Sector Development Vice-Presidency. This is a methodology used to analyze administrative investment barriers and measure the business environment in different countries, primarily by analyzing the impact of business registration procedures implementation.

Salem emphasized that the key measures facilitating business startup are the reduction of capital required to start a business and the introduction of a one-stop-shop system which integrates all procedures in one place.

"The one-stop-shop approach is the most widely applied reform measure, while online registration is the one that yields the quickest results," she said. One of the major topics of the two-day European Commerce Registers Forum was prevention of money laundering, and deputies from the Jersey in the U.S. as well as Malta, U.K. and Serbia shared their experiences on the subject.

Money Laundering

According to statistics presented by Nicholas Troy, a representative of the anti-money laundering unit from Jersey, currently one trillion dollars is being "laundered" around the world, which amounts to between five and ten percent of the global GDP.

“Only in the United Kingdom, organized crime “generates” 20 billion pounds annually, and when the African continent is concerned, more money is stolen from it than it is donated in aid,” says Troy and explains that with time those who are involved in money laundering move their “business” from rigidly regulated financial systems to less regulated sectors. Mostly, these are the trade and real estate sectors, or anything related to “new methods of payment” which refers to online or mobile phone based financial transactions.

The Serbian Business Registers Agency has been presiding over the European Commerce Registers Forum since 2007, and now it handed over the presidency to Luxembourg.