

Enlarge EU Newsletter September 2008 Edition

The One Stop Shop System in Macedonia

The process of introducing the One-Stop-Shop system in Macedonia was an initiative derived from the recommendations of the European Commission, regarding the obstacles in trade economy and fulfillment of the criteria and achievement of the standards set for the business environment.

The program has been supported by international donors such as: IMF, EAR, USAID, World Bank, FIAS, UNDP.

Why One-Stop-Shop?

Macedonia is facing a low economic growth; it remains on the last place compared to the other countries in the region regarding the foreign direct investments. As a result of this fact, all governments that Macedonia had until now, have set the attraction of foreign investments as their priority goal, as an important stimulation for the economic progress of the country.

In order to attract foreign investments, Macedonia has introduced the One-Stop-Shop system. This system has also been introduced by many European public administrations. It has a service-offering character and serves as an interface between the citizens and the public administration.

Business reforms in Macedonia

Areas of Reform: Starting a Business, Registering Property, Getting Credit (Information), Paying Taxes, Trading Across Borders, Enforcing Contracts.

Doing Business 2009, rank: 71

Source: *Doing Business 2009*, annual report comparing business regulations

Facilities provided by the One-Stop-Shop system

Macedonia implemented the One-Stop-Shop system on January 1st, 2006. The One-Stop-Shop offers a certain number of facilities for the investors mainly resulting in reducing administrative barriers and start-up costs.

Its main objective is to reduce the number of days for setting a new business (used to be 48 days and after introducing the system, it was reduced to 5 days) and to improve the overall business climate in Macedonia. The system is designed to be simple, fast and most important less expensive. It operates within the Central Register via 32 electronically integrated offices located throughout the country. The system offers business registration in four hours, in a single office and getting all information in one place.

Recently World Bank published the latest Doing Business report. The report mentions that Macedonia has updated the One-Stop-Shop system in order to carry out the full range of business start-up processes, to reduce both the number of procedures and the time required. The report also states that the time required to export has been reduced from 19 to 17 days and the time to import from 17 to 15 days, as a result of the rationalization of the customs fee schedule and permit structure, improved risk-based inspections, simplification of a customs procedure, and elimination of a document requirement.

Although, the One-Stop-Shop system in a certain level has influenced the business climate, having in mind the current index of the foreign direct investments its implementation advantages are yet to come!

EnlargeEU Newsletter is also available at Analytica's blog: www.analyticamk.blogspot.com