

News Release

Doing Business 2009: Reforms Help Kazakhstan Advance 10 places in Overall Ease of Doing Business

Astana, October 9, 2008 – Reforms to business regulation reached record numbers this year, with Eastern Europe and Central Asia leading among world regions for a fifth consecutive year, according to *Doing Business 2009* – the sixth in an annual series of reports published by IFC and the World Bank. Yesterday the World Bank discussed the results of the current report and the way forward for the country in a dedicated meeting in Astana attended by representatives of the Doing Business team, the World Bank local team, and high-level representatives of the Kazakhstan government.

According to the report, Kazakhstan kept pace with the region, reforming in two out of 10 indicators measured by the report. Reforms in Registering Property and Getting Credit (Information) contributed to the country rising from 80 to 70 in the global rankings on the ease of doing business. The country's private credit bureau added new suppliers of information, including retailers and utilities companies. Borrower coverage increased by 80 percent in the past year. A new law introduced substantial changes to the property registration system, creating a unified registry for all land and buildings and establishing public service centers to handle property transactions in major cities. The law also eliminated requirements, cutting the number of procedures from eight to five and the time from 52 days to 40.

“Kazakhstan’s overall ranking is above average, and with some indicators it is among the top 50 countries in the world. And it is not the end – very recently Kazakhstan has taken bold reform measures which will be reflected only in a year, in the next edition of the Doing Business report, and we hope with this the country will further advance its ranking. For example, the new Tax Code includes a reduction of the corporate profit tax,” said **Sergei Shatalov, the World Bank Country Manager for Kazakhstan.** *“Despite this positive track record, Kazakhstan will face a challenge to implement a serious work, as the country is competing with the most advanced economies. There are areas in which more needs to be done, in particular to ease trading procedures and access to infrastructure. On the other hand, proper attention needs to be given to the implementation at all levels of the public administration to ensure that businesses really benefit from these positive legal changes.”*

Between June 2007 and June 2008, 23 of the region’s 25 countries implemented 62 reforms that make it easier to do business – over 25 percent of the total worldwide. Four of the 10 economies making the most regulatory reforms are in Eastern Europe and Central Asia. The top 10 are, in order, Azerbaijan, Albania, the Kyrgyz Republic, Belarus, Senegal, Burkina Faso, Botswana, Colombia, the Dominican Republic, and Egypt.

“Countries in Eastern Europe and Central Asia continue to lead the world in easing the regulatory burden on business, and in sustaining their reform agendas,” said **Svetlana Bagaudinova, a coauthor of the report.** *“Many countries that made improvements this year looked to earlier pacesetters for ideas on how to reform their regulations. Kazakhstan is among the fastest reforming countries in the Central Asian region, and with increased momentum could join the ranks of top reformers next year.”*

Singapore leads the global rankings on the overall regulatory ease of doing business for a third consecutive year. New Zealand is runner-up, and the United States is in third place. High-ranking

countries in Eastern Europe and Central Asia are Georgia (15), Estonia (22), Lithuania (28), Latvia (29), and Azerbaijan (33).

Doing Business 2009 ranks 181 economies on the overall ease of doing business based on 10 indicators of business regulation that record the time and cost to meet government requirements in starting and operating a business, trading across borders, paying taxes, and closing a business. The rankings do not reflect such areas as macroeconomic policy, quality of infrastructure, currency volatility, investor perceptions, or crime and corruption rates.

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