Article by Larry Butler, Principal Deputy High Representative: “The Point is to Create More Jobs”

This autumn, parliamentarians will debate new business legislation that will modernise the rulebook for doing business in BiH. The existing Federation, RS & Brcko Laws on Obligations, as good as they are, do not cover all aspects of normal 21st Century business. The new legislation will, for example, regulate the information that must be given to tele-shopping customers; it will protect consumers from misleading advertisements; it will enshrine the consumer’s right to return a defective product; and it will make clear the seller’s obligation to guarantee the quality of a product.

These are just some of the provisions in a long and complex piece of legislation.

The complexity of the legislation must not be allowed to obscure its pressing importance for every citizen. It is very important indeed.

This new business legislation – together with Law on Consumer Protection that is also with the Parliament at the moment – will protect consumers; and it will modernise and improve, in clear and practical ways, the BiH business environment.

The need to protect consumers is clear – and this is an issue that has been placed on the back burner in BiH for much too long. It is time that BiH consumers were guaranteed the same rights – to safe foodstuffs, to non-toxic baby toys, to honest advertising, to refunds for shoddy products, and so on. These rights are enjoyed elsewhere in Europe. They should be enjoyed

in BiH.

The improvements to the business environment will have an equally profound impact on daily life. Right now, BiH is attracting only a trickle of the investment it needs to get the economy going. Much more investment is urgently needed so that existing companies can be made more competitive and expand and so that new companies can be started up.

This is the only way to create desperately needed jobs.

But till now investors have not been convinced that BiH is a good place to put their money. Too much bureaucracy, too much corruption, too much unfair competition. And not enough legal certainty.

Improvements have already been made – easing company registration, for example, and, through the Bulldozer Commission, cutting away at the red tape that puts investors off – but more has to be done (and has to be done quickly) in order to attract investment in the volume that BiH needs.

The new business legislation will create legal certainty and introduce rules that are common in Europe. It will also send a clear signal to investors that BiH is serious about attracting business. That in turn will encourage job creation.

As always, there will be arguments against reform, and as always, many of the people advancing these arguments will have an interest in the status quo.

But the status quo is unacceptable for the people of BiH. For too many, the status quo means poverty and unemployment. The status quo also means standing still while neighboring countries surge ahead.

The new business legislation, by contrast, is about creating jobs, raising the standard of living, and keeping pace with the rest of Europe.

The parliamentarians should scrutinize this legislation during the autumn – vet it, adjust it, fine tune it, and improve it.

And then they should enact it.

Every day that enactment of the new business legislation is delayed is another day that new jobs are delayed.