

Committee Formed to “Bulldoze” Job-Destroying Legislation

The High Representative is launching a new initiative to help clear away the complex and contradictory laws and regulations that make investment and job creation in this country so difficult.

At a meeting of the principal international financial institutions (organisations), held at the OHR recently, the High Representative proposed the establishment of what he has called the “bulldozer committee”. This committee will identify the worst job-destroying bureaucratic obstacles at State, Entity, Canton and Municipality level and will propose actions that should be taken. The intention is to remove job-destroying legislation and regulations from the statute books, and simplify the whole process of setting up private businesses.

Commenting on the launch of this initiative, the High Representative said: “BiH does not only need better laws – it needs fewer laws. The expansion of small businesses and foreign investment are the future of this country’s economy. But too few entrepreneurs and investors are setting up businesses and creating jobs. One of the main reasons is clear: the absurdly complex business regulation in our country. That must change and will change. It will be up to the Bulldozer Committee to propose ways of doing this”

This committee will begin meeting in two weeks’ time. It will seek input from business people and entrepreneurs. The High Representative believes that it will be able to begin identifying counterproductive legislation and other administrative and bureaucratic obstacles and proposing solutions within a very short period of time. The committee will consist of representatives from the World Bank, the IMF, USAID, the European Commission and the OHR.

This effort will focus on such issues as laws that place such a burden of

taxes and contributions on an entrepreneur that to start a business and create jobs becomes impossible. It will also include regulations that entrepreneurs have to spend weeks and months of effort and considerable expense in order to meet. For example, where it takes twenty forms and several thousand KM to get the necessary permits to turn domestic premises into business premises.

The committee will gather information from around the country, focusing on the needs of SMEs. In every country where initiatives of this sort have been launched it has been quickly discovered that barriers routinely arise as a result of bureaucratic sclerosis. The bulldozer committee will tackle this problem head on. The High Representative believes that through this reform effort, accelerated change in the business landscape of BiH could open up real opportunities for growth.