Comparing Business Regulation for Domestic Firms in 16 Kazakhstan Locations with 189 Other Economies
Doing Business in Kazakhstan 2019

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Subnational *Doing Business*—going beyond business capitals

- go **beyond** the largest business city
- cover regulations at **all levels**
- capture **local differences**
- provide replicable **good practices**
- help cities tell their stories and **compete**
- use local government participation to **promote reform**
Generates micro-level data on business regulations globally comparable.

Diagnostic Tool

Identifies bottlenecks, highlights opportunities for improvement and presents good practices.

Reform Instrument

Creates baseline that can be used to measure progress over time.

Monitoring Device
Showcases potential for improvement through the emulation of good practices

Sharing best practices on construction permitting from *Doing Business in Kenya 2016*

Kiambu’s fast-track procedures to obtain a construction permit

Busia’s efficient processing time

Kakamega’s relatively low cost to obtain a permit

If Nairobi adopted these good practices, it would move from the bottom 20% to top 40% of economies globally

Replicating the best practices at the subnational level is an easy win for reform-minded policy makers

Source: Subnational Doing Business database
Second benchmarking in 16 locations (13 regions and 3 cities)

16 locations
- Almaty city
- Mangystau (Aktau)
- Aktobe
- Kyzylorda
- Pavlodar
- Atyrau
- North Kazakhstan (Petropavl)
- Kostanay
- Akmola (Kokshetau)
- Nur-Sultan
- West Kazakhstan (Oral)
- Shymkent
- Almaty region (Taldykorgan)
- Karagandy
- East Kazakhstan (Oskemen)
- Zhambyl (Taraz)
No location has the top performance in all areas

<table>
<thead>
<tr>
<th>Location</th>
<th>Ease of doing business</th>
<th>Starting a business</th>
<th>Dealing with construction permits</th>
<th>Getting electricity</th>
<th>Registering property</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Aggregate ease of DB ranking</td>
<td>Aggregate ease of DB score 2018</td>
<td>Aggregate ease of DB score 2016</td>
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All eight locations benchmarked in 2017 improved their doing business environment.
Lower-performing regions are converging toward the top performers in 3 indicators.
Processes are still faster and cheaper, however they are relatively cumbersome.
Mixed success in integrating business registration features
Construction permitting process was streamlined

- 17.5 days in Aktobe
- 52.5 days in East Kazakhstan

Time reduction

– 90% for property registration

water utility site inspection
connect to water and sewerage
Extensive reforms in Getting electricity

All locations now monitor the reliability of electricity supply using SAIDI/SAIFI

Expert Opinion on SNiP
The way forward: addressing cross-cutting issues

1. Increase ownership at the local level
2. Manage the pace of reforms
3. Improve staff capacity to provide better support to entrepreneurs
4. Collect better statistics and make them widely available
There is potential for improvement—through the emulation of good practices

**Kazakhstan (average performance)**
Average ease of doing business rank in 2019

- **Starting a business**
  - 4 procedures, 5.3 days, 0.5% of income per capita, no paid-in minimum capital requirement
- **Registering property**
  - 4 procedures, 4.7 days, 0.03% of property value, core of 15.5 on the quality of land administration index
- **Ease of doing business**
  - (ranked 30 in Doing Business 2019)
- **Dealing with construction permits**
  - 18 procedures, 115.2 days, 2.1% of warehouse value, score of 13 on the building quality control index
- **Getting electricity**
  - 6 procedures, 69 days, 46.7% of income per capita, score of 6 on the reliability of supply and transparency of tariffs index

**Best practices across Kazakhstan**
Hypothetical ease of doing business rank

- **Starting a business**
  - 4 procedures, 4.5 days, 0.18% of income per capita, no paid-in minimum capital requirement
- **Registering property**
  - 4 procedures, 4.5 days, 0.03% of property value, score of 17 on the quality of land administration index
- **Ease of doing business**
  - (potential global rank: 25, on par with Germany)
- **Dealing with construction permits**
  - 17 procedures, 96.5 days, 1.6% of warehouse value, score of 13 on the building quality control index
- **Getting electricity**
  - 6 procedures, 46 days, 27.9% of income per capita, score of 8 on the reliability of supply and transparency of tariffs index
www.doingbusiness.org/kazakhstan

for more information