



Nortal

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BEST PRACTICES BY NORTAL™

Ease of doing business



Licenses and permits

The Seamless Society™

Where government, businesses and individuals meet

“ Every responsible government has the mission to build and maintain a thriving business climate in order to maximize wealth for society ”

Rein Lang,
Estonian ex. Minister of Justice

How to do this?

First, by approaching the mission from the investor's perspective. Investor expects the communication with the government institutions to be transparent, secure and fast. And this is all possible today.

Estonia used to hold the world record for registering a new company in 18 minutes. In 2015, a new record has been set by Oman, where the fastest new company registration was completed in only 1 minute and 6 seconds.

Both records became possible thanks to Nortal's expertise in building a seamless e-government.

Activity licensing and issuing different permits can be confusing for investors. Nortal's experience can be used to make it simpler.

Setting trends for the world

Nortal helps governments to improve local business climate via reforms powered by technology. We call them **NORDIC TALENT (NORTAL) SOLUTIONS**.



It's not only about technology

Affordable fast Internet and wide spread IT literacy enable services which were unimaginable 20 years ago. For example, it was not possible to set-up a new company in few minutes, now it is. It was not possible to fill tax reports on a portal, now it is.

Such changes are driven by technology, but also require policy and regulation changes.

Activity Licensing

Certain economic activities involve substantial risks and therefore require strict regulation and state control. This is where activity licensing comes in. Our experience shows that licensing procedures can be very confusing for investors and in many cases they fail to achieve the objective to safeguard public interest. In order to avoid this, we propose a three steps approach:

- A. Consolidate activity licensing coordination under one clear owner.
- B. Adopt legal acts to clarify licensors and their responsibilities.
- C. Simplify licensing landscape by two main mechanisms:
 - Review the objectives and reasoning of each and every license. It happens rather often that activity licenses are not fit for purpose, or are required only because of information gathering or historical reasons that do not exist anymore.
 - Move from ex-ante to ex-post regulation wherever reasonable and practicable.

Best Practices

STRATEGY

- Adopt legal act which establishes general conditions and procedures for licensing. Follow the principle of freedom in economic activity when defining the Licensing strategy – keep in mind that requirement to obtain a license before starting activities is the most severe limitation to this principle.
- Ensure clear differentiation between terms “license”, “permit” and “approval”.
- Keep company registration and issuing activity license legally separated from each other.
- Allow activity licenses to be issued only to existing company and forbid their transfer from one company to another.
- Establish licensing audit workgroup on ministerial level to review license requirements on yearly basis.
- Use notification of starting the activity instead of ex-ante license wherever possible.

TECHNOLOGY

Integrate the licensing procedures into the BUSINESS PORTAL creating „one window“ of communication for the entrepreneurs.

- Make the licensing process status available for investor to track progress.
- Use international activity classification to define license requirements and in data processing

The Oman experience

- We conducted activity licensing review and reduced number of activities requiring license by 45% as of March 2016.
- 59% of activity licenses can be applied online from March 2016.

Contact us!

We will be happy to cooperate with you. We are ready to send our company representatives to your country to analyze your needs and offer you the best possible solution.

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