



# Legislative Guide on Key Principles of a Business Registry

- To create a sound business environment through businesses operating in the formal economy
- To facilitate efficient domestic business registration and cooperation among registries in different national jurisdictions to facilitate cross-border access to registries

**Note:** The guide recognizes that the operation of a business in the formal economy requires compliance with the requirements of the jurisdiction, which may not require registration with a business registry. The guide does not seek to create any obligation or implication on States to alter existing legislation or add additional requirements for registration

## Objectives of a business registry

---

1

### **Purpose:**

- a) Enable businesses of all sizes and legal forms to be visible in the marketplace and to operate effectively in the formal economy
- b) Enable MSMEs to increase their business opportunities and to improve the profitability of their business

2

**Simple and predictable system of laws permitting registration**

3

### **Key Features of a business registry:**

- a) Publicly accessible, simple, user friendly and time- and cost-efficient
- b) Registration procedures suited to the needs of MSMEs
- c) Business information is easily searchable and retrievable
- d) Registry system and information of good quality and periodically updated

## Establishment and functions of the business registry

---

A

Responsible authority

B

Appointment and accountability of the registrar

C

Transparency in the operation of the business registry

D

Use of standard registration forms

E

Capacity-building for registry staff

F

Core functions of business registries

G

Storage of information and access to it throughout the business registry

## Transparency

---

### Transparency Laws:

Should allow for simplified process of registration and make registration easily accessible for registrants

### Service Standards:

Define the services to which users are entitled and may expect to receive

### Transparency in registration:

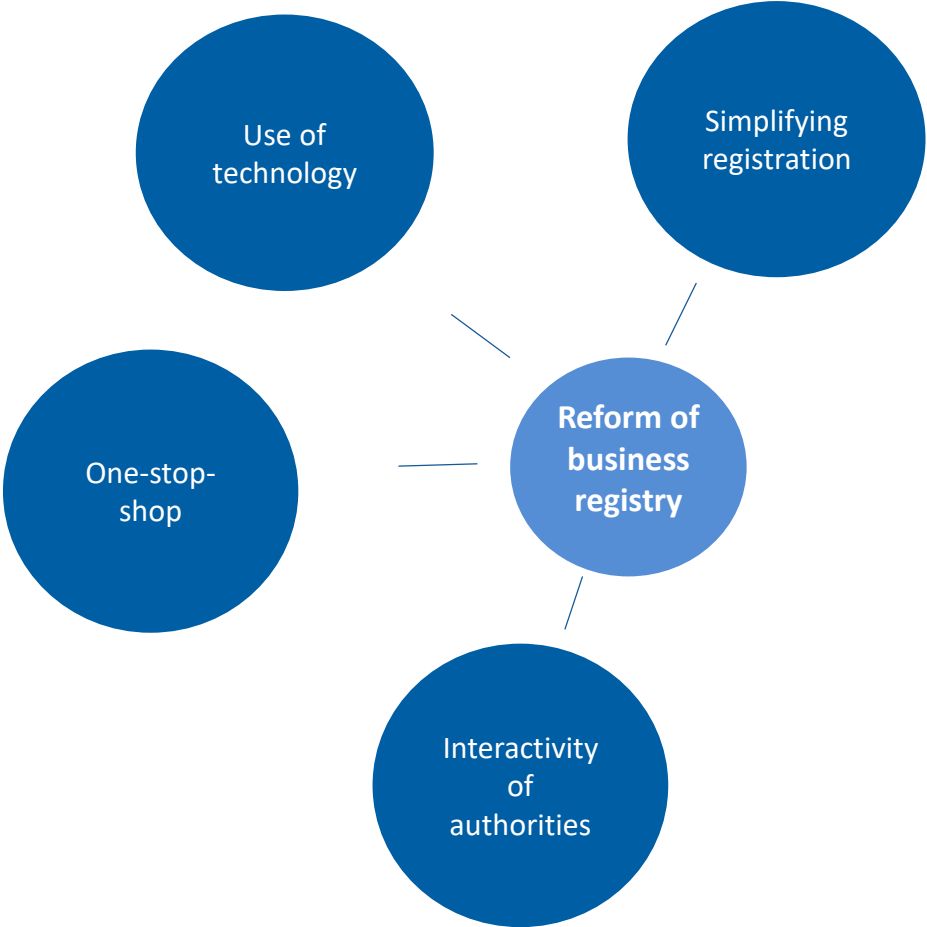
- States should determine the moment at which the registration or any subsequent change made to it is effective
- The registry and the business should ensure that information on the business is kept as current as possible

### Recommendation 7:

“The law should ensure that the rules, procedures and service standards that are developed for the operation of the business registry are made public to ensure transparency of the registration procedures.”

# Operation of the business registry

---



## A one-stop-shop for business registration

---

“One-stop shops enable entrepreneurs to receive all of the information and forms they need in order to complete the necessary procedures to establish their business through single outlets rather than having to visit several different public authorities.”

*Legislative Guide on Key Principles of a Business Registry, at para [87].*

## Use of unique identifiers

---

I

Allocation of unique identifiers

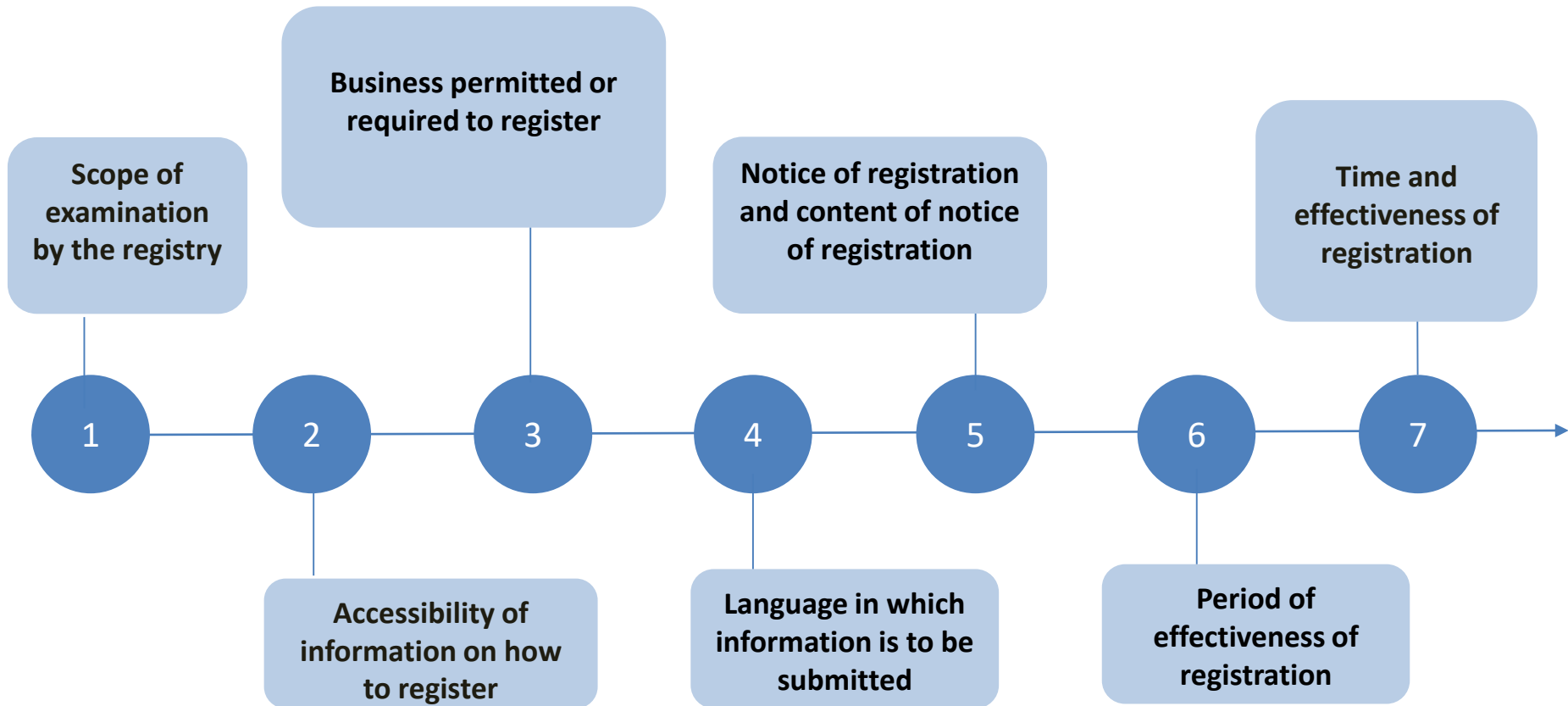
II

Implementation of unique identifiers

III

Cross-border exchange of information among business registries

## Registration of a business



## Rejection of an application for registration

---

### 1. Errors in the application

When the information provided by the business is not sufficient, the registrar should be granted the authority to request additional information to finalize the registration process.

### 2. Failure to meet the requirements prescribed by law

States should provide that registries must reject the registration of a business only if its application does not meet the requirements prescribed by the applicable law of the State.

## Public access to information

---

### Access to registration

- Easy access to business registry services for registration
- Easily retrievable information on the registration process, including:
  - List of steps in registration
  - Contacts list
  - Method of lodging complaints
  - Possible legal recourse
  - Advantages of one-stop-shop
  - Relevant fees
- Enabling businesses of all sizes and forms to register

### Access to information

- Dependable and consistent hours that are compatible with the needs of registry users
- Access to registration services without discrimination
- Availability of all public information on a registered business
- Direct electronic access

### Barriers to registration

- Language
- Lack of gender-neutral framework

### Barriers to accessing information

- Special software required
- Limiting search criteria
- Fees for the provision of information services and user registration
- Lack of knowledge of official language(s)
- Cross-border access to publicly available information

## Updating information

---

- **Information required after registration**

- Obligation to inform registry of any changes occurring in the business
- Registries publishing annual accounts, financial statements or periodic returns
- Periodic returns at regular intervals to keep registry information current

- **Maintaining a current registry**

- Business declarations that information in registry is accurate
- Requirement that businesses update information whenever a change occurs
- Enhancing exchange of information



## Fees

---

Fees charged for business registry services

Fees charged for information

Publication of fee amounts and methods of payment

Electronic payments

## Principle of Cost-Recovery

Fees calculated on the basis of revenue needed to achieve cost recovery for setting up and funding the registry.

## Liability and Sanctions

---

Misleading,  
false or  
deceptive  
information

**Liability for information that is submitted to the registry upon registration or amendment or for failure to submit information**

Sanctions

**Appropriate sanctions to be imposed on businesses for breach of its obligations to submit information to the registry**

Liability of  
the business  
registry

**Allocation of liability for loss or damage caused by error or negligence of the business registry**

Deregistration occurs once the business has permanently ceased to operate. When a business is deregistered, the public details in respect of the business usually remain visible on the register, but the status of the business is changed to indicate that it has been removed or that the business is no longer registered.

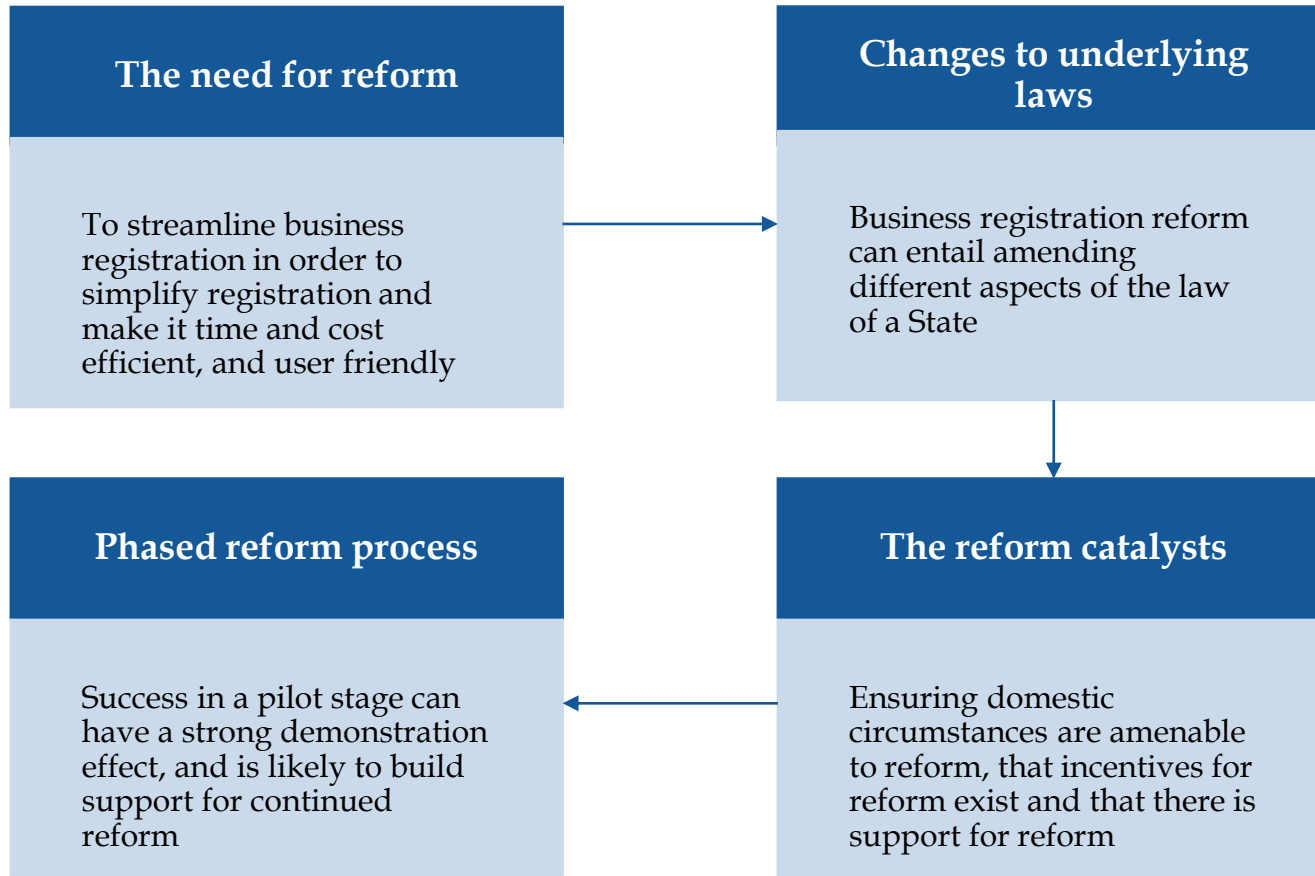


Preservation  
of records

Recommendation 52:  
The law should  
provide that  
information submitted  
should be preserved  
by the registry to  
enable it to be  
retrieved by  
interested users.

## The Reform Process

---



# UNCITRAL Legislative Guide on Key Principles of a Business Registry