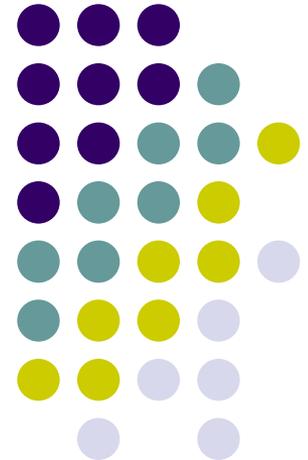


# **“THE MICRO-ENTERPRISE SUPPORT” PROJECT IN AZERBAIJAN**

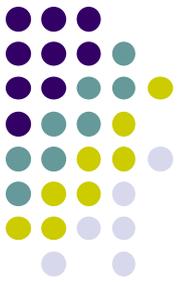
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## **RESULTS OF THE SURVEY CONDUCTED AMONG 1000 SMALL ENTREPRENEURS**



# About the survey

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- **Name of the project:**

“The Micro-Enterprise Support Project”

- **Date of the survey:**

07 March – 17 April, 2013

- **Number of respondents:**

1000 people

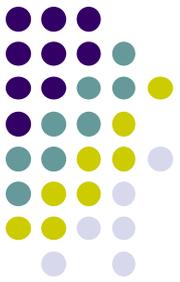
# About the survey



## The geographical distribution of the respondents

<b>№</b>	<b>Economical Region</b>	<b>Number of the respondents</b>
<b>1.</b>	<b>Baku</b>	<b>200</b>
<b>2.</b>	<b>Absheron</b>	<b>80</b>
<b>3.</b>	<b>Ganja-Gazakh</b>	<b>170</b>
<b>4.</b>	<b>Sheki-Zagatala</b>	<b>80</b>
<b>5.</b>	<b>Lenkeran</b>	<b>80</b>
<b>6.</b>	<b>Guba-Khachmaz</b>	<b>80</b>
<b>7.</b>	<b>Aran</b>	<b>210</b>
<b>8.</b>	<b>Upper Karabakh region</b>	<b>40</b>
<b>9.</b>	<b>Mountainous Shirvan</b>	<b>60</b>
	<b>Total:</b>	<b>1 000</b>

# About the survey



## Respondents who participated in the survey

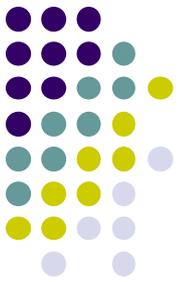
- Juridical person – 9,2%
- Physical person – 90,8%

## Distribution of businesses by sector

- Trade – 30%
- Service – 30%
- Production – 20%
- Agriculture – 20%

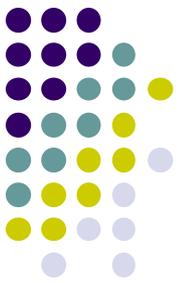
# About the survey

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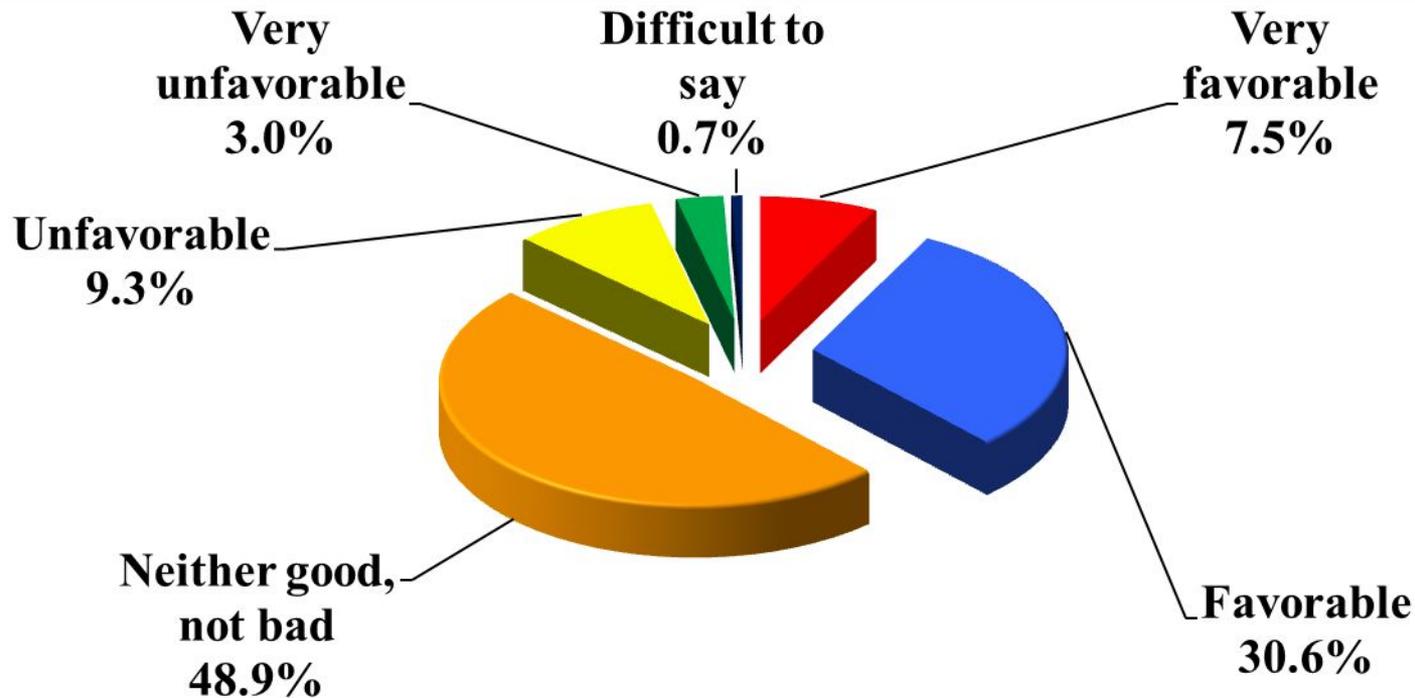
## Grouping questions

- Questions about the current state of business
- Questions related to inspections
- Questions related to the acquisition of a license
- Questions relating to the registration of real estate
- Questions about the National Fund for Entrepreneurship Support
- Questions related to the tax system
- Questions related to customs procedures
- Questions related to the suspension of activities
- Questions regarding permits for construction activities to be taken
- Questions about knowledge legislation
- Questions regarding the development of private businesses
- Questions related to the World Trade Organization



# Current situation of business

## How would you describe present environment for your business?





# Current situation of business

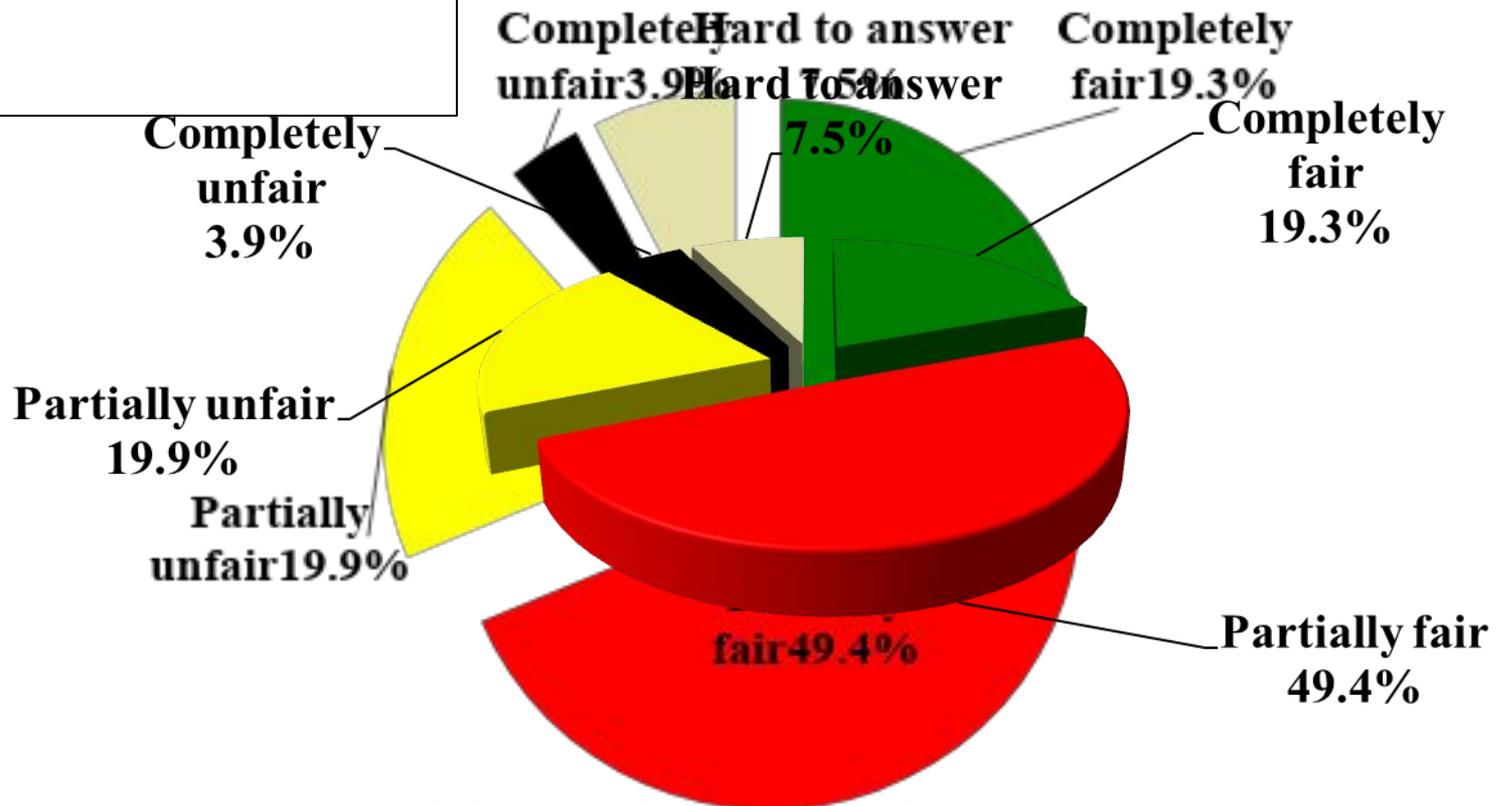
Have you noticed that demands for bribes decreased as a result of a number of serious steps that have been taken by the government since the beginning of 2011 in order to reduce corruption in the country?



# Current situation of business



How would you rate competition conditions in your activity sphere?



# Situation about inspections



How often do representatives of state structures come to your office for the inspection?

Ministry or other state agency	At least once a week	At least once a month	At least once in six months	At least once a year	They have not come yet	Total inspections in year
1. Ministry of Taxes	6	658	166	107	63	8647
2. Ministry of Economic Development	3	19	70	281	627	805
3. Ministry of Emergency Situations	4	40	98	339	519	1223
4. State Committee for Standardization, Metrology and Patent of the Republic of Azerbaijan	0	36	171	421	372	1195
5. Police	33	342	71	134	420	6096
6. Ministry of National Security	0	8	113	162	717	484
7. Ministry of Ecology and Natural Resources	6	24	114	383	473	1211
8. Regional executive power	7	11	147	107	828	697
9. Sanitary-epidemiological institutions	15	157	243	353	232	3503

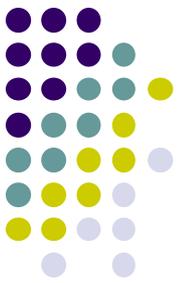
# Acquiring license



**Out of 335 entrepreneurs who receive license 45,1% -151 respondent said that it was difficult to get license. Main difficulties were:**

- ***Bureaucracy in the relevant government structures which issues license*** **29%**
- ***Short term of the license*** **21.6%**
- ***Collection of documents from various government agencies in order to obtain a license*** **16.4%**

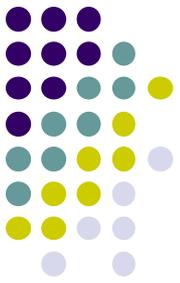
# Registration of real estate



**467 entrepreneurs needed to register their real estate. Out of them 167 said that it was difficult to register the real estate. Main difficulties were:**

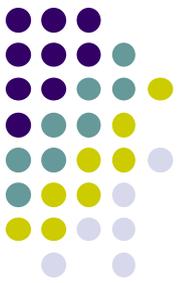
- ***Collection of documents from various government agencies*** **51.7%**
- ***Bureaucracy in the relevant government structures*** **37,7%**
- ***The rules are ambiguous and not clear*** **10,2%**

# National Fund for Entrepreneurship Support

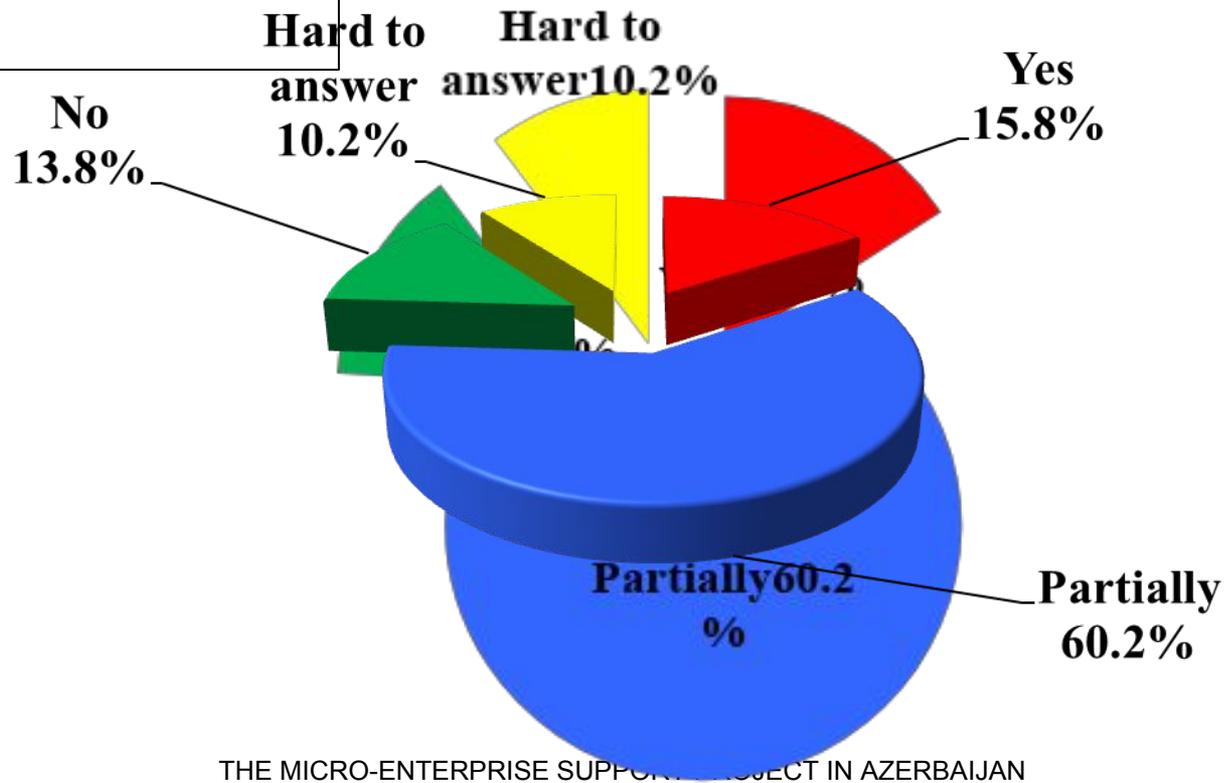


**181 entrepreneur- 18.1% of respondents, said that they applied to National Fund for Entrepreneurship support to get a loan. Out of them 61.3% - 111 entrepreneur received the loan.**

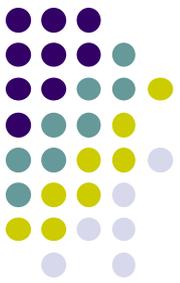
# Current situation of business



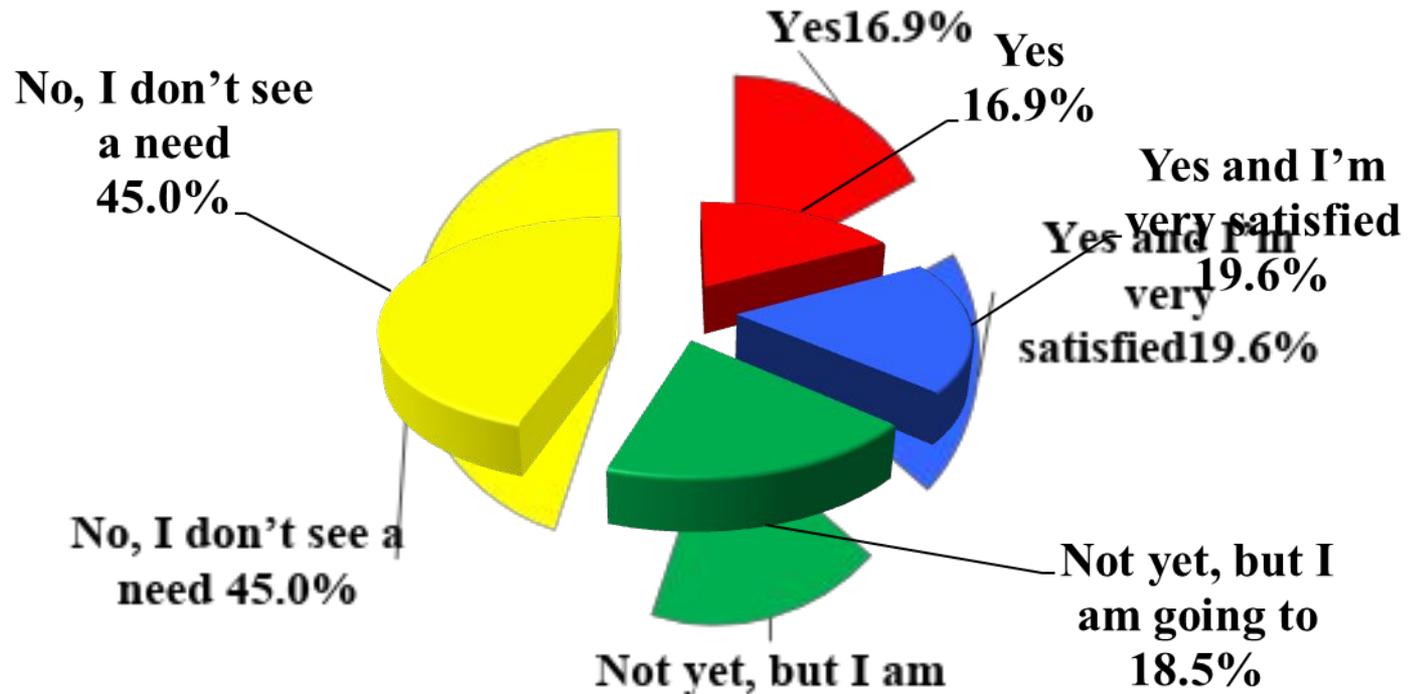
Do you consider yourself protected from arbitrariness of the officials?



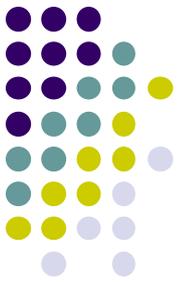
# Tax system



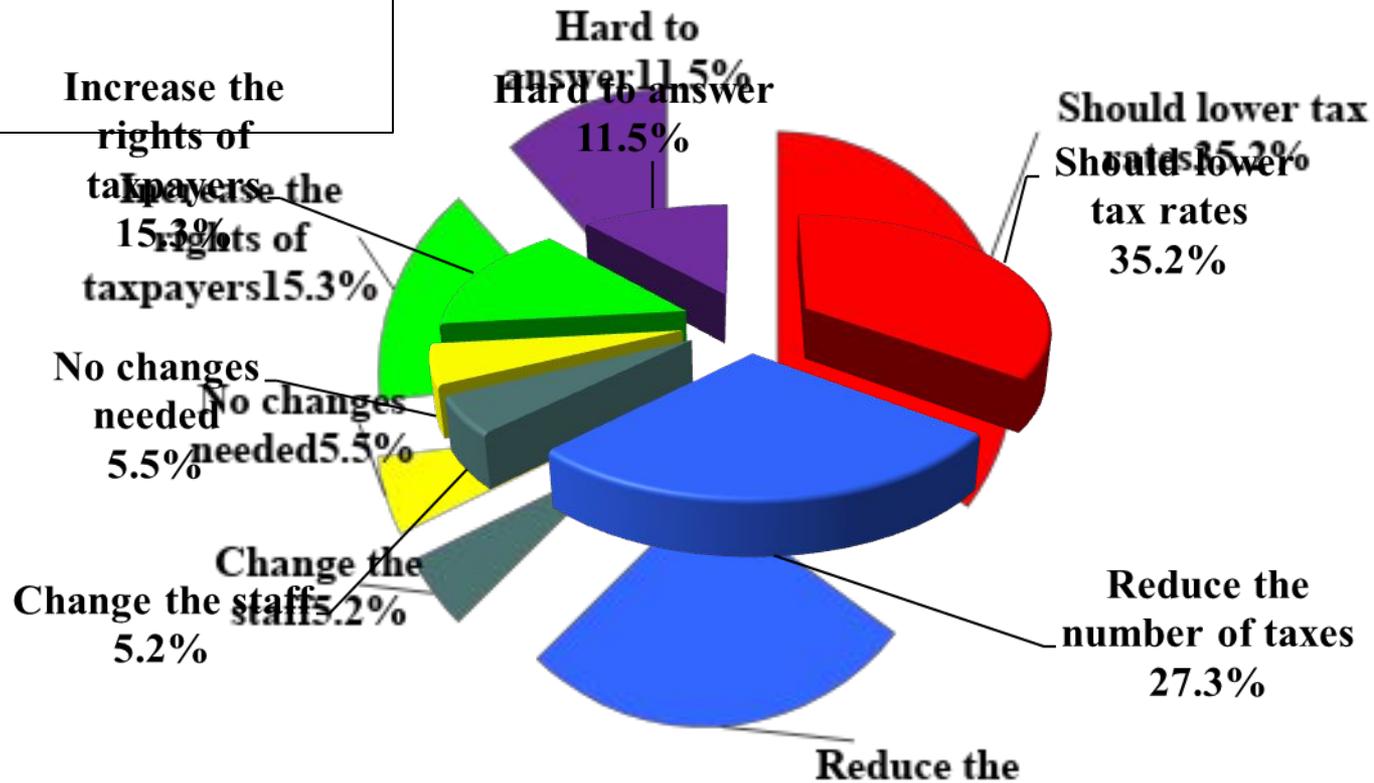
**Do you use the opportunity to pay your taxes online?**

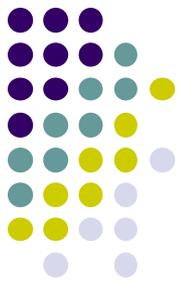


# Tax system



## What do you think needs to be changed in the tax system?





# Current situation of business

- **13,4% of respondents - 134 people said that they are currently involved in the foreign trade operations.**
- **6,3% - 63 entrepreneurs said that they needed to close their firms in the past.**
- **29,2% of respondents - 292 entrepreneurs said that they needed to take permit for construction activities.**



# Knowledge about the legislation system

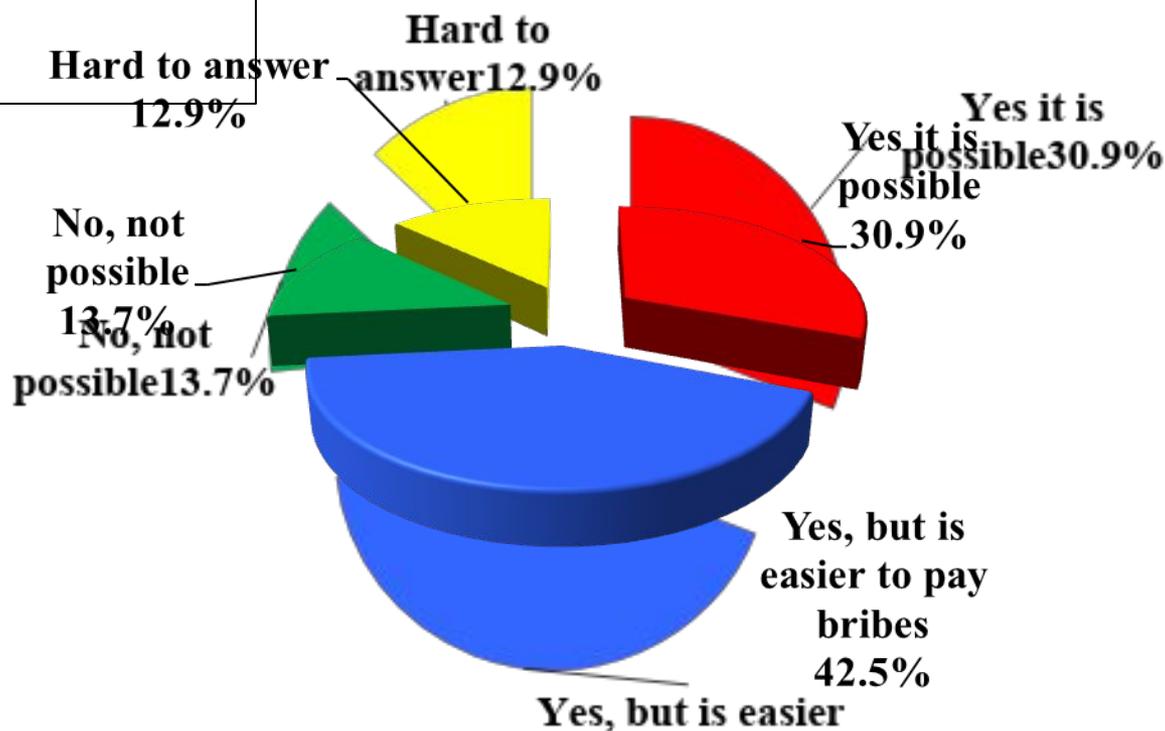
76% of respondents said that they are able to receive information on decisions of state structures on Entrepreneurship activities on time. Below listed are sources where they get this information:

- TV 44,8%
- Web pages of government structures 23,4%
- From friends entrepreneurs 14,4%
- During inspections 7,9%
- From newspapers 4,9%
- Other ways 4,6%

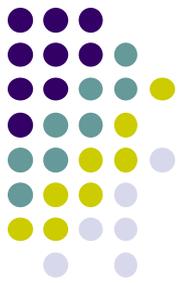


# Current situation of business

## Is it possible to run a business in Azerbaijan without violating laws?



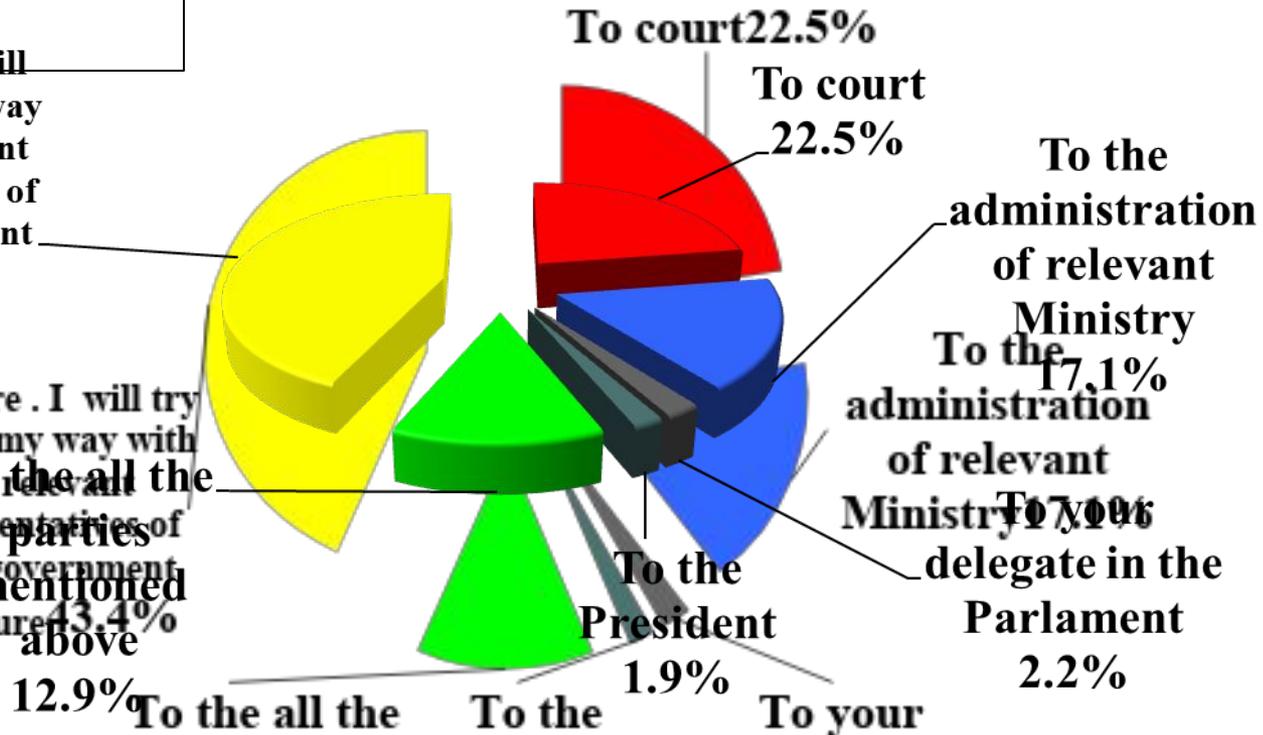
# Current situation of business



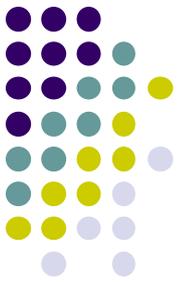
## Where would you prefer to file a complaint in case of unjust interference of local government structures?

Nowhere . I will try to find my way with the relevant representatives of local government structure  
43.4%

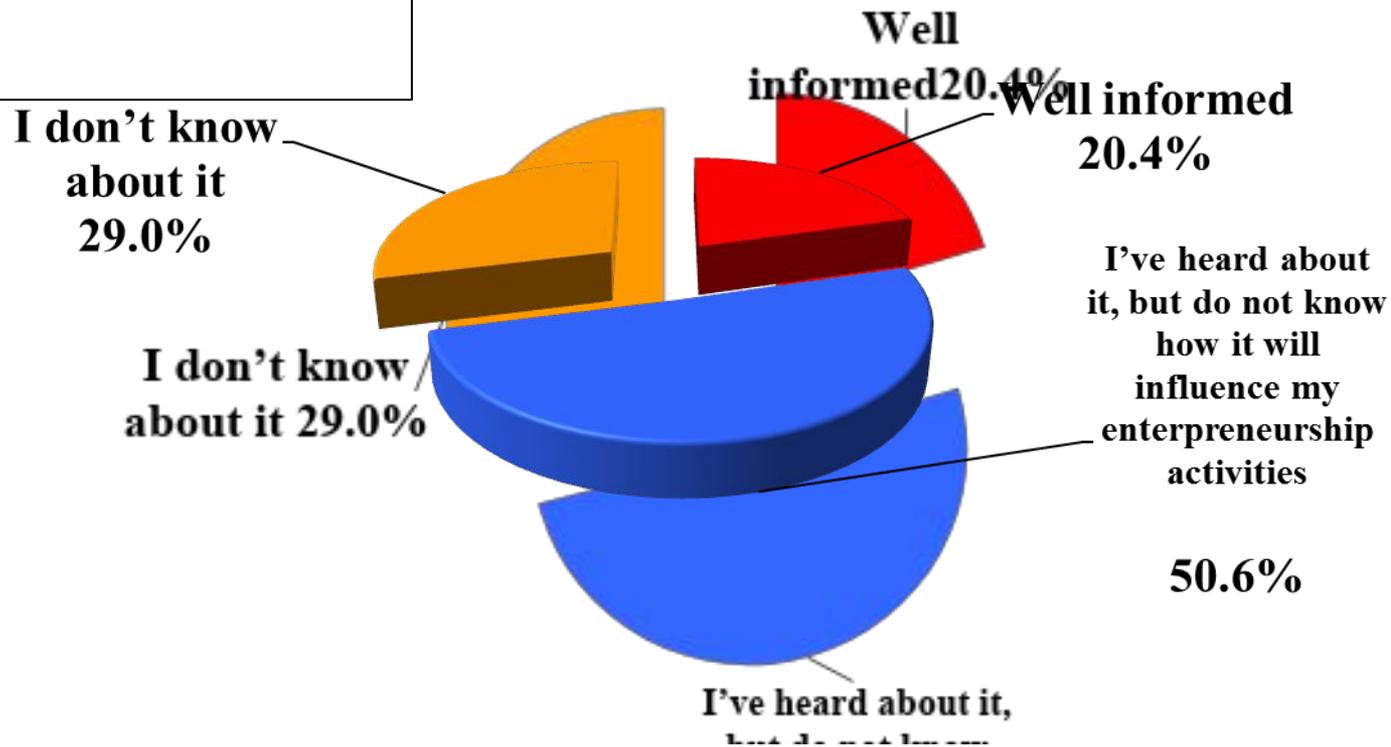
Nowhere . I will try to find my way with the relevant representatives of local government structure mentioned above  
12.9%



# World Trade Organization



Azerbaijan is preparing to become member of World Trade Organization. Are you informed about that?





**THANK YOU FOR YOUR ATTENTION!**