

## OHADA: Uniform Acts Reform Project, Phase I & II

### The challenge:

The Organization for the Harmonization of Business Law in Africa (OHADA) is a 17 - State regional organization whose mandate is to establish a “uniform, simple, and modern” body of business law for member States. OHADA’s legal framework consist of 8 laws called Uniform Acts. These include: General Commercial Law, Companies, Arbitration, Bankruptcy, Security Interests and Mortgages, Debt Recovery and Enforcement, Contracts for Carriage of Goods by Road, and Corporate accounting.



OHADA has significantly contributed to establishing a more modern, stable and predictable business environment in member countries by replacing outdated and fragmented business legislation. However, after over 10 years of applying the Uniform Acts, there was a need to review and update them.

### The solution:

ICF is working with the OHADA Permanent Secretariat to reform OHADA’s 8 Uniform Acts. This includes providing external expertise, consultations with key regional stakeholders and adoption of reformed Acts. Phase I of the project cost a total of US\$ 1,940,000; of which ICF provided US\$ 1,100,000, IFC provided US\$ 670,000, Coopération Française provided US\$ 220,000, and OHADA provided US\$ 50,000.

Phase II of the project continues to focus on reforming the Uniform Acts as well as raising country level capacities on the Acts. Phase II of the project is expected to cost US\$ 3,510,000; of which ICF will provide US\$ 1,750,000, IFC will provided US\$ 1,530,000, and OHADA will provided US\$ 230,000.

### Project Results:

Under Phase I of ICF support 2 Acts were reformed and adopted: the Commercial Act and the Securities Interest and Mortgages Act. Adoption of the reformed Acts has helped to improve access to credit in member countries as lending banks now accept a much wider range of assets as collateral. In addition, a new status for small entrepreneurs has been established, enabling them to register and operate a business more easily and facilitating the formalization of enterprises.

Phase II of the project will see the adoption of two more Acts (Companies Act and the Debt Recovery and Enforcement Act), diagnostics of other Uniform Acts yet to be reformed, and reinforcement of country-level capacity on the Acts that have already been adopted.

**Project duration:** Phase I: July 2009 – May 2012. Phase II: June 2012 – Dec 2014

The Investment Climate Facility for Africa is a grant providing organisation that works with African Governments to improve the environment in which businesses operate. ICF engages closely with implementing Government bodies throughout the life of the project. For more information about ICF and its work please visit [www.icf africa.org](http://www.icf africa.org)