

Business Environment Working Group

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BEWG Co-Chairs



DCED

The Donor Committee for Enterprise Development

9 June 2022

Business Environment Working Group: Current Members

- Denmark International Development Agency (Danida)
- European Commission (EC)
- Foreign and Commonwealth Development Office (FCDO)
- German Development Cooperation - Federal Ministry for Economic Cooperation and Development (BMZ) and GIZ
- Global Affairs Canada
- International Labour Organization (ILO)
- International Development and Research Council (IDRC, Canada)
- Japan International Cooperation Agency (JICA)
- State Secretariat for Economic Affairs (SECO, Switzerland)
- Sweden International Development Agency (Sida)
- Swiss Agency for Development and Cooperation (SDC)
- United Nations Conference for Trade and Development (UNCTAD)
- United Nations Food and Agriculture Office (FAO)
- United Nations Industrial Development Organization (UNIDO)
- United States Agency for International Development (USAID)
- World Bank Group

Our strategic aim

- The DCED established the BEWG in 2002 to serve as a multi-donor platform for sharing knowledge, experience, and best practices in supporting business environment reforms.
- The BEWG supports its members in their efforts to deal with the political and technical challenges they experience in designing, managing, financing, and measuring business environment reform programmes.

Our vision

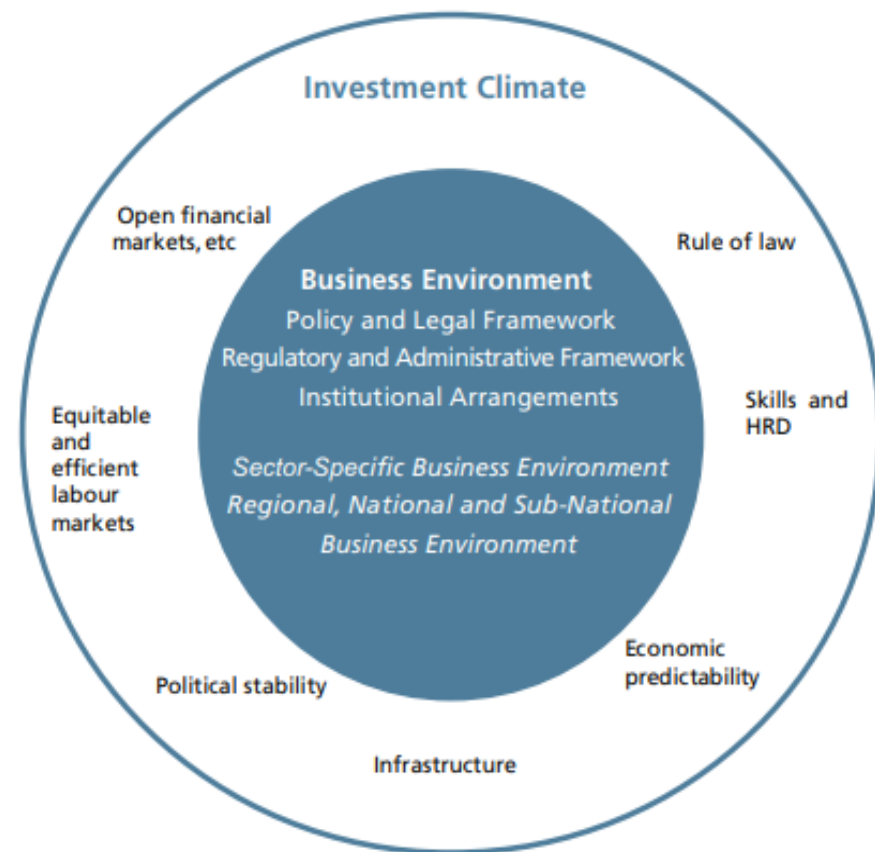
- Our vision is that development and donor agencies support business environment reforms most efficiently and effectively by applying best practices and global knowledge.

Defining the Business Environment (DCED, 2008)

The business environment is a complex of policy, legal, institutional, and regulatory conditions that govern business activities.

It is a sub-set of the investment climate.

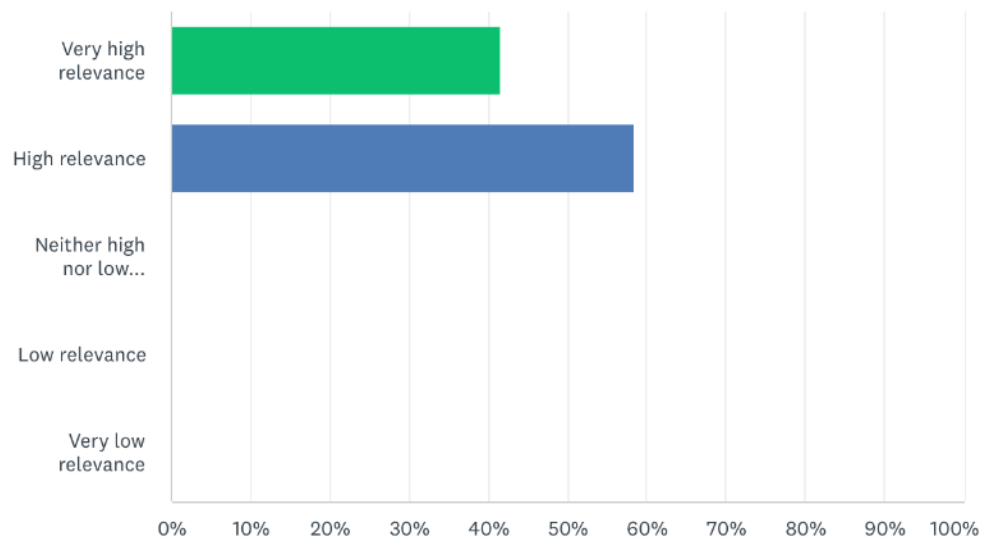
Business environment reform (BER) aims to reduce the costs and risks of business activity by improving poor government policies, laws and regulations, and by stimulating competition through new market entrants.



BEWG member survey (2022)

How would you rate the relevance of the BEWG to your and your agency's work?

Answered: 12 Skipped: 0



Popular Products

ANSWER CHOICES ▼	RESPONSES ▼	
▼ Report: Dealing With Firm Informality (2021)	41.67%	5
▼ Report: Leveraging Private Sector Practices to Guide Green Business Environment Reform (2022)	33.33%	4
▼ Donor Guidance (2008)	25.00%	3
▼ Report: Lessons Learned on the Role of Business Regulation in Economic Recovery from COVID-19 (2021)	25.00%	3
▼ Report: Use of New Technologies in Regulatory Delivery (2020)	25.00%	3
▼ Enhancing the use of evidence and results measurement in business environment reform programming (2022)	16.67%	2
▼ Policy Brief: Using Business Regulation in Re-opening the Economy following the COVID-19 (2021)	16.67%	2
▼ Report: PPD and the Use of New Technologies (2021)	16.67%	2
▼ Report: Business Environment Reforms in Fragile and Conflict-Affected Situations (2020)	16.67%	2
▼ Policy Brief: Promoting Economic Transformation through Business Environment Reform (2019)	16.67%	2
▼ Report: Business Environment Reform and Investment Promotion (2019)	16.67%	2
▼ Policy Brief: Policies that Promote SME Participation in Public Procurement (2018)	16.67%	2
▼ Video: Introduction to Business Environment Reform from the DCED (2018)	16.67%	2
▼ Policy Brief: Business Environment Reform and Investment Promotion (2019)	8.33%	1
▼ Policy Brief: Use of New Technologies in Regulatory Delivery (2020)	0.00%	0
▼ Report: Promoting Economic Transformation through Business Environment Reform (2019)	0.00%	0
▼ Policy Brief: Business Environment Reform and Labour Productivity (2018)	0.00%	0
▼ Report: Creating Better Business Environments for Micro and Small Enterprises (2018)	0.00%	0
Total Respondents: 12		

What do you most like about the BEWG?

(Member Survey 2022)

- Ability to connect with other donors to share experience and boost knowledge and understanding of this area.
- The BEWG provides a forum for discussion of common challenges and solutions, a community for exchange, and a platform to explore relevant BER topics/ research of common interest.
- Learning about other organizations' challenges and solutions
- The BEWG does important analytical work for Sida colleagues and partners. Have been trying to give some (minor) input on a few reports that the BEWG worked on in 2021.
- The open and transparent culture of interaction combined with the dedication that focal points bring to advance the various themes.
- BEWG's initiatives to capture most up-to-date trends which may be intervened by BER effectively
- The ability to delve into research on emerging areas of BER.
- Opportunity to explore the role of BEE in development; high quality inputs and insights of co-members. Efficiency in running meetings and delivering products.
- Staff-level exchange and coordination
- Networking opportunities, sharing ideas on common issues
- Participants are highly engaged, great to know which organisations do what and who the right contact people are, forges a closer working relationship between people/organisations

Please give an example of how the BEWG helped you or was useful in your work in your organisation

(Member Survey 2022)

Great repository of information for both colleagues new to the subject area and those looking to deepen their expertise.

The findings from the informality report was used for operational project design and region-specific analytical work.

Knowledge and policy notes produced informed our work in different countries

Unfortunately, since i started at Sida in early 2021 as the thematic lead on trade, it has been difficult for me to dedicate as much time as I would hope to the WG. I have mainly tried to follow the conversations and analytical work that has been done and have shared reports and events with colleagues internally at Sida when relevant.

UNIDO is now looking to create a taskforce on green/social/economically driven public procurement and the related DCED 2018 Report represents an excellent guiding document in that regards.

As references of the latest BER trends and various donors' approaches on such as digitalization, COVID-19, green aspects, fragile situations etc.

BEWG research was on Covid-19 was very helpful in adapting activity design and implementation.

The research and products developed provide an opportunity to analyse and explore aspects related to BEE from different sectoral perspectives (e.g. health, manufacturing etc...). The opportunity to lead research on a topic provides a more focused area of BEE to exchange on with other agencies.

My colleagues working in green growth really appreciated the novelty and relevance of the green BER corporate experience document, and the webinar sharing Maersk experience.

I have used the BER in Fragile settings to present various approaches in a training course

We use the 2008 Donor Guidance regularly in our trainings for new staff to explain the essence of business environment reforms. Likewise, we use the video which is great as it breaks down why BER is important from the perspective of an entrepreneur).

Technical Report: *Dealing with Firm Informality* (published 8NOV21): **115**

Technical Report: *PPD and the Use of New Technologies* (published March 2021): **91**

Covid Brief: *Lessons Learned on the Role of Business Regulation in Economic Recovery from the COVID-19 Pandemic* (published April 2021): **61**

Covid Brief: *Using Business Regulation in Re-opening the Economy following the COVID-19 Pandemic* (published April 2021): **55**

Technical Report: *BER in Fragile and Conflict-Affected Situations* (published October 2021): **42**

Business Environment Reform and Investment Promotion (2019)

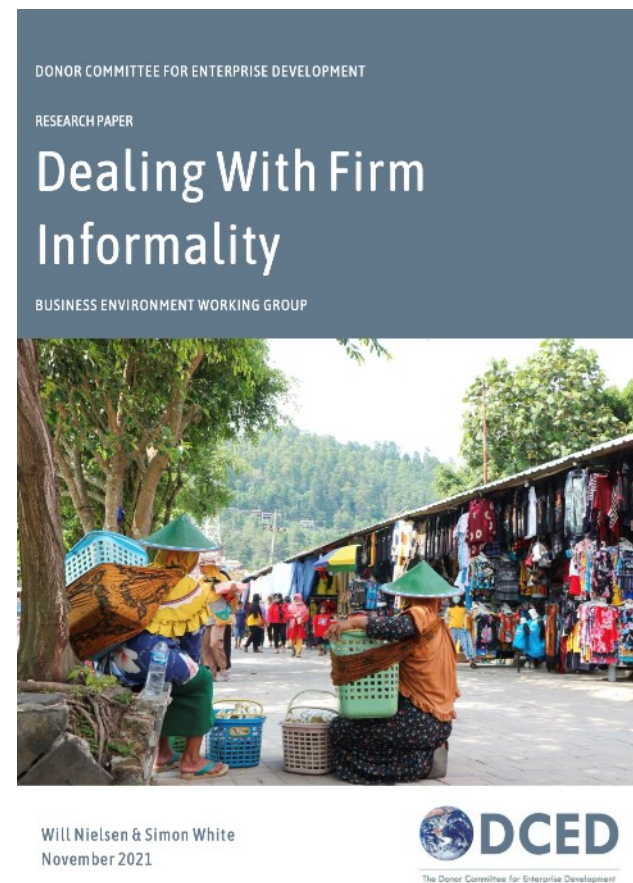
- How can the donor support programmes enhance the effectiveness of BER in catalysing private investment?
- The policy environment of BER and investment promotion is evolving, encompassing broader SDG objectives including job creation, productivity, poverty reduction, equality and gender issues, and SME development and formalization.
- Most BER support programmes encompass multiple functional reform areas.
- While most BE reforms help reduce compliance costs, promote new investments and create jobs, the economy-wide effects remain elusive.
- The links between outcomes and impacts are complex and involve other factors with the result that outcomes do not necessarily guarantee impacts.
- Better government, donor and investor coordination can contribute to a virtuous circle of reform programming.



- Report (2019)
- Policy Brief (2019)
- Webinar (2020)

Dealing with Firm Informality (2021)

- Identifies the new and emerging evidence to help donor and development agencies better understand the dynamic between the business environment and enterprise formality.
- Key recommendations areas:
 1. Focusing BER to make firm formalization easier.
 2. Complementing BER programmes for firm formalization.
 3. Reforms that deal with the challenges faced by informal firms and workers.
 4. Reforms resulting from the COVID-19 pandemic.



Leveraging Private Sector Practices to Guide Green Business Environment Reform (2022)

Objective: Guide development community on how to support Green BER based on the insights of 5 firms/1 assoc. who are leading in climate sustainability business practices.

Recommendations:

- Target high-impact green BER measures – Carbon pricing, tax credits, subsidies, mandated disclosure, R&D
- Adopt an eco-system approach, which uses BER, but also goes beyond it (requiring donors/partners to adopt a systems approach)
- Promote the global alignment of standards and the creation of a bottom floor
- Commit to long-term support that require big investments, and promote alignment between investments and BER with high costs – e.g. RE requirements
- Adapt learnings on BER from mature markets/companies, for global south, middle-pack and laggards using a territorial approach



COVID-19 Policy Briefs (2021)

Lessons Learned on the Role of Business Regulation in Economic Recovery from the COVID-19 Pandemic

1. A favourable regulatory environment for business is associated with stronger economic recovery after crises.
2. The quality of the business environment plays a critical role in mitigating the negative effects of the pandemic.
3. While social distancing provisions are likely to continue, those most impacted by Covid are also the hardest to reach.

Using Business Regulation in Re-opening the Economy Following the COVID-19 Pandemic

1. Balance regulatory reform to protect health and safety, and regulatory flexibility.
2. Public communication of policy measures can help ensure firms are aware of changes and guidelines.
3. Frequent private sector consultation and accurate and timely data are essential
4. Online government-to-business services can be critical in the context of social distancing.
5. The crisis can be an impetus for reform.



DCEP

The Donor Committee for Enterprise Development

Webinar series: BER and COVID-19 (2021)

"Using BER to Build Back Better"

WEBINAR

USING BER TO BUILD BACK BETTER



Retaining, attracting and servicing investors in COVID-19

Wednesday 21st April 2021, 14:00 CET

Registration link: <https://forms.gle/zWfscWfRaQ59oXJ5f6>

This webinar examines the specific challenges for retaining, attracting and servicing private investors in light of the COVID-19 pandemic.

The expansion of global FDI flows after the 2008 financial crisis has been reversed by the pandemic. While the 50 per cent reduction in investments over the last 12 months is not the only significant change, the pandemic has also accelerated pre-existing megatrends, such as the expansion of the digital economy and artificial intelligence, the prioritization of environmental sustainability and the green economy, and an increasing focus by governments on FDI policy space.

Private sector led growth is more important than ever as governments contemplate emergence from the pandemic in an indebted and fiscally constrained environment. Thus, this webinar looks at how FDI can be leveraged by governments for economic recovery in the post-pandemic world. What is the role of business environment reform in this context?

Ivan Anton Nimac, the Global Lead for Investment Policy and Promotion at the Work Bank Group will introduce this discussion and talk about how to leverage FDI for economic recovery in the post-pandemic era.

We will then consider three case studies, all in the context of COVID-19:

1. JICA's experience retaining, attracting and servicing investors in Bangladesh, presented by Saki Ito
2. GIZ's experience of investment promotion in Moldova and Tunisia, presented by Nora Ben Ameur
3. UNIDO's experience of supporting the industrial recovery of the automotive sector in Colombia, presented by Allan Bacheneheimer and Cindy Mendieta Joya

Provisional programme:

TIME	ITEM	SPEAKER
14:00	Welcome, objectives and orientation (guidance for all participants)	Sylvia Solf (WBG)
14:05	Keynote: How to Leverage FDI for Economic Recovery in the Post-Pandemic Era	Ivan Anton Nimac (WBG)
14:25	Case Study: Retaining, attracting and servicing investors in Bangladesh in response to COVID-19	Saki Ito (JICA)
14:45	Case Study: Retaining, attracting and servicing investors in Moldova and Tunisia in response to COVID-19	Nora Ben Ameur (GIZ)
15:05	Case Study: Colombia and the support to industrial recovery of the automotive sector	Allan Bacheneheimer and Cindy Mendieta Joya (UNIDO)
15:05	Participant Q & A	
15:25	Summary, conclusion and thanks	Sylvia Solf (WBG)

Retaining, attracting and servicing investors in COVID-19

1. How to Leverage FDI for Economic Recovery in the Post-Pandemic Era
2. Case Study: JICA's experience retaining, attracting and servicing investors in Bangladesh
3. Case Study: GIZ's experience of investment promotion in Moldova and Tunisia
4. Case Study: UNIDO's experience in supporting the industrial recovery of the automotive sector in Colombia

How COVID-19 has increased vulnerability in the informal sector

Digital reforms in the context of COVID-19

Taking public-private dialogue online



The Donor Committee for Enterprise Development

What could the BEWG do better?

(Member Survey 2022)

- Discuss specific collaboration opportunities more actively.
- Equal engagement and contributions by all org representatives
- The bundling of working strands within the BEWG works quite well however the BEWG work seems sometimes detached from the work of other DCED WGs and it appears that the potential for cross-synergies and fertilization, perhaps rotation of some sort, is not fully harnessed.
- Further timely sharing of the newly completed BEWG works
- Shorter publications and/or more interactive materials.
- Explore opportunities to cross-fertilize learning and activities with other groups.
- Format of products remains fairly static; could be more strategic and focused with webinar outreach, including planning ahead and more user-friendly formats (replacing pdf attachment invitations).
- Be a reference for identifying network of consultants, identify complementarities between relevant organizations - for example in a specific countries, or on a specific subject
- Maybe slightly less new products? Product-wise though maybe more focus on impact stories (either e.g. like the video from 2018 with a fictional story from the perspective of the ultimate target group or more story telling based on actual stories and how their lives have changed due to Business Environment Reforms).

ANNEX

Business Environment
Working Group
Established

First Report: Donor
Approaches to
Supporting Reforms in
the Business
Environment

Report: Donor
approaches to improving
the business environment
for small enterprises

International Business
Environment Conference
in Cairo (350 delegates)

Conference Papers

International Business
Environment Conference
in Bangkok (250
delegates)

Conference Papers

2002

2003

2004

2005

2006

<p>International Business Environment Conference in Accra (250 delegates)</p> <p>Conference Papers</p>	<p><u>DCED Donor Guidance:</u> <i>Supporting Business Environment Reforms: Practical Guidance for Development Agencies</i> [English, French, Spanish, Arabic]</p>	<p><u>Report:</u> <i>Business Environment Reforms and the Informal Economy</i></p>	<p><u>Report:</u> <i>Review of Donor-Supported Business Environment Reform Practices in Kenya</i></p>	<p><u>Guidance Annex:</u> <i>How BER can promote formalisation</i></p> <p><u>Reports:</u> <i>Review of Donor-Supported Business Environment Reform Practices in Rwanda/ Bangladesh</i></p> <p><u>Synthesis Report:</u> <i>51 Lessons for Donor and Development Agencies</i> Report: <i>Political Economy of Business Environment Reform</i></p>
2007	2008	2009	2010	2011

	<p><u>Guidance Annex: Measuring Business Environment Reform</u></p> <p><u>Guidance Annex: How BER can be complemented with industrial policy support</u></p> <p><u>Report: Strategic Industrial Policy and Business Environment Reform: Are they Compatible?</u></p>	<p><u>Guidance Annex: Supporting Quality Infrastructure in Developing and Transitional Economies</u></p>	<p><u>Report: The Contribution of Quality Infrastructure</u></p>	<p><u>Guidance Annex: Gender and Business Environment Reform</u></p> <p><u>Guidance Annex: Supporting Local and Regional Business Environment Reforms</u></p> <p><u>Guidance Annex: Supporting Business Environment Reforms within Industry Sectors</u></p> <p><u>Report: Business Environment Reform and Gender</u></p> <p><u>Report: Beyond National Business Environment Reforms (Regional and Local)</u></p>
2012	2013	2014	2015	2016

<p><u>Policy Brief: Gender-Sensitive Business Environment Reform: Why does it matter?</u></p> <p><u>Report: Policies that Promote SME Participation in Public Procurement</u></p> <p><u>Report: Business Environment Reform and Labour Productivity</u></p>	<p><u>Policy Brief: Policies that Promote SME Participation in Public Procurement</u></p> <p><u>Policy Brief: Business Environment Reform and Labour Productivity</u></p> <p><u>Report: Creating Better Business Environments for Micro and Small Enterprises</u></p> <p><u>Video: Introduction to Business Environment Reform from the DCED</u></p>	<p><u>Policy Brief: Business Environment Reform and Investment Promotion</u></p> <p><u>Report: Business Environment Reform and Investment Promotion</u></p> <p><u>Report: Promoting Economic Transformation through Business Environment Reform</u></p> <p><u>Policy Brief: Promoting Economic Transformation through Business Environment Reform</u></p>	<p><u>Policy Brief: Use of New Technologies in Regulatory Delivery</u></p> <p><u>Report: Use of New Technologies in Regulatory Delivery</u></p> <p><u>Report: Business Environment Reforms in Fragile and Conflict-Affected Situations</u></p>	<p><u>Report: PPD and the Use of New Technologies</u></p> <p><u>Policy Brief: Using Business Regulation in Re-opening the Economy following the COVID-19</u></p> <p><u>Report: Lessons Learned on the Role of Business Regulation in Economic Recovery from COVID-19</u></p> <p><u>Report: Dealing With Firm Informality</u></p>
2017	2018	2019	2020	2021



THANKS!

Any questions?
You can find me at
EMAIL