

Measuring Business Environment Reform Results
DCED BEWG Sample Indicators 2013
INTRODUCTION

Measuring Business Environment Reform Results
Sample Indicators
Introduction

In 2013, the DCED published an annex to its 2008 Donor Guidance on Business Environment Reform, titled Measuring Business Environment Reform Results. This annex described the challenges facing donor agencies in their attempts to measure the impact of their business environment reform support programmes and presents a series of best practices and principles to guide donor agencies in this field. See <https://www.enterprise-development.org/wp-content/uploads/DonorGuidanceAnnexMeasuringResults.pdf>. The annex also contained a brief set of sample indicators to help programme designers and managers in the formulation of programme results chains.

This document extends the sample indicators and provides a broader range of samples for programme designers and managers to choose from. The sample indicators DO NOT provide a ready-made blueprint, but rather a collection of examples that might help practitioners to think through the kind of indicators and data collection processes they might

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Outcomes and Outputs within specific reform domains - as identified in the 2008 Donor Guidance

Simplifying business registration and licensing procedures

Improving tax policies and administration

Enabling better access to finance

Improving labour laws and administration (Decent Work)

Improving the overall quality of regulatory governance

Improving land titles, registers and administration

Simplifying and speeding up access to commercial courts and to alternative dispute-resolution mechanisms

Broadening public-private dialogue processes

Improving access to markets through trade and customs reform (formerly improving access to market information)

Additional Outcome and Output domains -- in addition to those identified in the Donor Guidance, sample indicators for the following domains

Reforms that Promote Human Rights

Reforms that Promote Green Growth

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Sample Indicators

IMPACT ON THE ECONOMY

IMPACT ON THE ECONOMY	INDICATORS	MEANS OF VERIFICATION
Increase in private investment levels	Changes in the levels of private investment	Number of registered firms
		FDI records
Increase in economic competitiveness	Changes in the perception of investors — domestic and foreign	Longitudinal assessment of investor perceptions
Reduction in poverty	Net additional income for micro, small and medium enterprise workers and owners	Firm surveys
	Changes in other poverty indicators (e.g., nutrition, empowerment)	Household surveys
Increase in tax revenues from trade	The trade tax revenues in region/municipality y has increased by x %. Baseline value: Taxation of X enterprises in year xxvv Target value: Taxation of Y enterprises in year xxvv	Annual census of taxed enterprises in region/municipality y .

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IMPACT ON THE POOR

IMPACT ON THE POOR	INDICATORS	MEANS OF VERIFICATION
Increase in net incomes for poor women and men	Increase in the value of household incomes	Household surveys: Pre and post-programme measures of a sample of poor households
		Control comparisons with households not affected by programme (if possible)
Increase in economic competitiveness	Changes in the perception of investors — domestic and foreign	Longitudinal assessment of investor perceptions
Reduction in poverty	Net additional income for micro, small and medium enterprise workers and owners	Firm surveys
	Changes in other poverty indicators (e.g., nutrition, empowerment)	Household surveys
The target group's household income or expenditure has increased	<p>Owners of at least x SME from the sub-sector or region xy have raised their income within the period 2013-2016 (inflation-adjusted) by y%</p> <p>Baseline value: x \$US income of year xy</p> <p>Target value: Y \$US income of year yx</p>	Firm surveys

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IMPACT ON FIRMS

IMPACT ON FIRMS	INDICATORS	MEANS OF VERIFICATION
Increase in the number of firms established	Number of firms registering	Number of registered firms
Increased number of jobs created by private firms	Number of full-time equivalent employees (female and male) in private enterprises	Enterprise surveys: Pre- and post- programme measures of a sample of private firms
Increase in economic competitiveness	Changes in the perception of investors — domestic and foreign	Longitudinal assessment of investor perceptions
Reduction in poverty	Net additional income for micro, small and medium enterprise workers and owners	Firm surveys
	Changes in other poverty indicators (e.g., nutrition, empowerment)	Household surveys
The number of employees working for MSMEs has increased	The number of people employed in the formal/informal private sector in the sub-sectors/value chains/SMEs receiving support increases from x% to y% (Baseline value: Number X of employees in supported enterprises; Target value: Number Y of employees in supported enterprises)	Baseline of number of employees in relevant sub-sectors/ value chains; annual surveys
MSMEs have increased their sales and profits	The sales of supported enterprises in chosen pilot regions/sectors rose by x% (Baseline value: X \$ US sales; Target value: Y \$ US sales)	Baseline through survey of owners and an average amount per size of enterprise; afterwards annual surveys.
MSMEs are more competitive (e.g. due to reduced transaction and operating costs).	X % of MSMEs confirm positive impacts of measures for SME-friendly framework conditions on their market position.	Survey among enterprises that benefit from the simplification of labor and tax law / simplification of process of inspection agency. Thereby a minimum of two of the following criteria has to be complied: sales increase, growing number of customers, significant reduction of production costs, introduction of new products, reduction of transaction and operating costs (verification through summarizing annual surveys).

FOR MORE INFORMATION

IFC (2014) *Enterprise Surveys Indicator Descriptions* , 10 June, Washington DC: <https://www.enterprisesurveys.org/en/enterprisesurveys>

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Sample Indicators
INTERMEDIATE OUTCOMES

INTERMEDIATE OUTCOMES	INDICATORS	MEANS OF VERIFICATION
Increased competition	Increase in the number of firms participating in selected markets	Changes in the number of private firms operating in market
		Control comparisons with markets not affected by programme (If possible)
Reduced business risk	Increase in the levels of in-firm investments (see below)	Enterprise surveys: Pre- and post- programme measures of a sample of private firms
		Control comparisons with private firms not affected by programme (if possible)
Reduced business costs	Decrease in the costs of compliance	Enterprise surveys: Pre- and post- programme measures of a sample of private firms
		Control comparisons with private firms not affected by programme (if possible)
Improved conditions for business operation	Percentage of business environment reforms (i.e., policies, laws and regulations) that have been passed or approved as a result of the programme	Review of documents: policies, laws and regulations
Improvements in the quality of business laws and regulations and their	See OECD indicators of regulatory quality	Expert analysis of laws, regulations and procedures
Improvements in business advocacy and public private dialogue	Improvements in the quantity and quality of business advocacy and PPD events	Longitudinal assessments of advocacy and PPD events
Sustainability of reforms	Improvements in the capacity of key actors and institutions (government and business) to identify, design, implement, and monitor reforms	Longitudinal assessments of institutional capacity of key actors
	Improvement in the capacity of key actors and institutions to ensure benefits of BER reforms are diffused so that they benefit the poor	Perception surveys of key stakeholders
	Increase in participation of poor women and men in BER reform process	Documentation of advocacy efforts and PPD events
	Increase in the perceived importance of reform among key public, private and civil society actors	Documentation of collaboration among stakeholders on reform efforts
	Increase in the demand for reforms by business and civil society	Media reports on BER and the demand for BER
	Improved government coordination of reform efforts (i.e., evidence of increased inter-agency coordination)	
	Government revenues applied to maintain the reformed system	

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Sample Indicators
INTERMEDIATE OUTCOMES

	Public officials incentivised to identify and implement reform measures	
	Increases in the capacity of programme partners and other key business environment actors (i.e., public, private and civil society) to effectively engage in and adapt to the continuing process of business environment reform	
	Transparent feedback mechanism established through which government reports back to business and civil society actors on progress with reforms	
	Increase in the commission and usage by government of independent business climate surveys/progress evaluations of reforms	
	Changes to the market systems and the legal, regulatory and institutional frameworks that govern them	

SOURCES

Ernst & Young (2014) *Support to Private Sector Development Phase II (SPDS II); Programme Monitoring and Evaluation Plan*, March, Danida, Ghana

FOR MORE INFORMATION

There are a range of other development indicators that are not specifically focused on business environment reform outcomes, but which reflect changes to development and investment outcomes. These include:

Global Impact Investing Initiative (GIIN) and the IRIS metrics, which support transparency, credibility, and accountability in impact measurement practices across the impact investing industry. The metrics include indicators for many aspects and sectors of investment. Data are collected from enterprises that affect many types of development (social, health, land, agriculture, small businesses, etc.). See IRIS metrics: <https://iris.thegiin.org/>

IFC Development Outcome Tracking System uses standard and sector-specific indicators categorized into areas where value is measured: financial, economic and environmental and/or social performance. See: https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Development+Impact

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Sample Indicators

DOMAIN: SIMPLIFYING BUSINESS REGISTRATION AND LICENSING PROCEDURES

DOMAIN: SIMPLIFYING BUSINESS REGISTRATION AND LICENSING PROCEDURES			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Increase in the number of businesses that register and obtain the necessary licenses	Number of business registrations	Database of business registration and licensing authorities	Reduced time to register will encourage more businesses to register and obtain licenses
	Number of business licenses issued		
Reduction in the amount of time required to register and license a business	Time taken to register and license a business	Time and task survey	Increasing the automation of processes and collocating business registration and license services will decrease time
		Survey of businesses that have recently been registered	
Informal businesses, many of them run by women, become formalised	The number of business registrations per year, segmented in registrations of former informal businesses and startups at agency XY rose from x (baseline year) to y .	Gender differentiated survey of businesses that have registered; query and observation of registration process at government agencies; random supervision of businesses at registration	
	The level of formalization for businesses of the informal sector augmented from x % to y %.	Evaluation and analysis of statistical data from registration office and statistics of the informal sector.	
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Simplified and harmonised business registration and licensing procedures implemented	Reduction in the number of steps required to register and license a business	Compare old procedures to new	Simplified and harmonised systems make it easier to obtain a license and register
One-stop-shop for registering and licensing businesses operational	Reduction in the number of steps required to register and license a business	Expert analysis of laws, regulations and procedures	Fewer steps make it easier to obtain a license and register
On-line business registration and licensing facility accessible to targeted users	Percentage of registrations and licenses completed online	Database of business registration and licensing authorities	Automating procedures will save time
			Targeted users have reliable access to internet

FOR MORE INFORMATION

DCED (2013) *Measuring the Results of Donor-Supported Business Registration and Licensing – The case of Minas Gerais in Brazil*, in Case Studies in the Measurement of Donor-Supported Business Environment Reform Results: https://www.enterprise-development.org/wp-content/uploads/Donor_Guidance_Annex_on_Measuring_BER_Results_Ca.pdf

Bruhn, Miriam. 2011. "License to Sell: The Effect of Business Registration Reform on Entrepreneurial Activity in Mexico." *Review of Economics and Statistics* , 93(1): 382–386.

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Sample Indicators

DOMAIN: SIMPLIFYING BUSINESS REGISTRATION AND LICENSING PROCEDURES

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- Maloney, William. 2004. "Informality Revisited." *World Development*, 32 (7): 1159-1178.
- McKenzie, David, and Yaye Seynabou Sakho. 2010. "Does it pay firms to register for taxes? The impact of formality on firm profitability." *Journal of Development Economics* 91 (1): 15-24.
- Perry, Guillermo, William Maloney, Omar Arias, Pablo Fajnzylber, Andrew Mason and Jaime Saavedra. 2007. *Informality: Exit and Exclusion*. World Bank Latin America and Caribbean Studies: World Bank, Washington D.C.
- IFC (2014) *Enterprise Surveys Indicator Descriptions* , 10 June, Washington DC: <https://www.enterprisesurveys.org/en/enterprisesurveys>

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Sample Indicators

DOMAIN: IMPROVING TAX POLICIES AND ADMINISTRATION

DOMAIN: IMPROVING TAX POLICIES AND ADMINISTRATION			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Increased tax compliance by private enterprises	Number of private firms registered with the tax authority	Tax authority records	Making tax administration easier and more transparent will increase the number of tax-payers
Increased transparency on tax system and processes	Tax-payers' opinion on tax administration	Tax-payer opinion survey	
More friendly and harmonised tax laws and regulations	Time taken to register for tax and submit tax forms is reduced	Compare old procedures with new	
	Tax-payers' opinion on tax administration	Tax-payer opinion survey	
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Tax information centres operational	Awareness and information on tax obligations increased	Enterprise survey	
User-friendly payment system implemented	Time taken to make payment is reduced	Compare old procedures with new	
Harmonised tax regime implemented	Time taken to make payment is reduced	Compare old procedures with new	

FOR MORE INFORMATION

DCED (2013) *Measuring the Results of Donor-Supported Tax Reform – The case of donor-supported tax reform in Nigeria (GEMS3)*, in Case Studies in the Measurement of Donor-Supported Business Environment Reform Results: https://www.enterprise-development.org/wp-content/uploads/Donor_Guidance_Annex_on_Measuring_BER_Results_Ca.pdf

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Bruhn, M. (2011) "Reforming Business Taxes" in *Viewpoint, Public Policy for the Private Sector*, Number 330, December, World Bank Group, Washington DC

IFC (2014) *Enterprise Surveys Indicator Descriptions*, 10 June, Washington DC: <https://www.enterprisesurveys.org/en/enterprisesurveys>

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Sample Indicators**

DOMAIN: ENABLING BETTER ACCESS TO FINANCE

DOMAIN: ENABLING BETTER ACCESS TO FINANCE			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Increase in the access private enterprises have to credit	Percentage of private firms (disaggregated by firm size) that report access to credit	Survey of enterprises	
Increase in financial inclusion - financial system becomes more inclusive of poor and vulnerable groups	Percentage of population with a bank account	Review of banking records	
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Establishment of a credit registry	Credit registry in place (preferably with online registration and search facility)	Programme documents	
Improved credit information system	Range of positive and negative credit information made available to the public	Review of records; Programme documents	
Out-of-court enforcement mechanisms introduced	Availability of out-of-court security agreements	Review of legal documents	

FOR MORE INFORMATION

World Bank, *Doing Business - Getting Credit Methodology* : <https://www.doingbusiness.org/en/methodology/getting-credit>

Djankov, S., C. McLiesh, and A. Shleifer (2006) *Private Credit in 129 Countries*, World Bank Group, Washington DC

IFC (2014) *Enterprise Surveys Indicator Descriptions*, 10 June, Washington DC: <https://www.enterprisesurveys.org/en/enterprisesurveys>

Measuring Business Environment Reform Results

Sample Indicators

DOMAIN: IMPROVING LABOUR LAWS AND ADMINISTRATION (DECENT WORK)

DOMAIN: IMPROVING LABOUR LAWS AND ADMINISTRATION (DECENT WORK)			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Increase in the number of jobs for women and men	Change in the number of women and men employed in sample of firms	Enterprise survey - before and after programme	Business environment reforms boost investments in private sector employment
Increase in incomes	Change in salary levels among women and men in sampled firms	Enterprise survey - before and after programme	Improved salaries contributes to decent work
Increase in compliance with worker and human rights	Reduced incidence of child labour	National statistical data	Lower levels of child labour promote decent work
	Increase in worker representation in Social Dialogue	Enterprise survey - before and after programme	Increased participation in Social Dialogue will increase compliance
	Improved tripartite participation (number and quality of dialogue)	Survey of social partners - before and after programme	Increased participation in Social Dialogue will increase compliance
Reduction in the level of informal employment	Change in the number of people classified as informally employed	Labour market surveys	Improvements in the business environment will lead to the formalisation of firms and workers
Increased investment in worker skills and productivity	Increase in firm investments into staff training	Enterprise survey - before and after programme	Firm investments in training and staff development improve productivity and the value of decent employment
Decrease in informal employment in private enterprises	Change in number of firms that comply with labour laws and regulations	Enterprise survey - before and after programme	Compliance with labour laws and regulations promotes decent work
Improvements in working conditions	Increase in the use of employment contracts	Enterprise survey - before and after programme	Employment contracts formalise employer-worker relationships and improve the quality of employment in private enterprises
	Decrease in workplace accidents	Enterprise survey - before and after programme	Improvements in working conditions in private enterprises makes work safer and more productive
Reduced vulnerability	Improved access to social services	Survey of workers - before and after programme	Access to social services makes workers more resilient to external shocks
	Improved access to social protection schemes	Survey of workers - before and after programme	Better access to social protection makes workers more resilient to external shocks
	Increase in local savings	Survey of workers - before and after programme	Increased levels of local savings make workers more resilient to external shocks

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Sample Indicators

DOMAIN: IMPROVING LABOUR LAWS AND ADMINISTRATION (DECENT WORK)

Reduction in the level of informal employment	Change in the number of people classified as informally employed	Labour Force Survey	Improvements in the business environment will lead to the formalisation of firms and workers
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Employment policies and laws respond to needs and aspirations of employers and workers	Qualitative criteria to be determined by programme	Analysis of employment policies and labour laws and regulations	Employment policies and labour laws and regulations are drafted without a clear understanding of the realities facing private sector employers and workers
Public campaign against child labour	Increased awareness of the problem of child labour	Enterprise and household surveys - before and after programme	Lack of awareness of the problems associated with child labour is a major contributor to the presence of child labour in private enterprises
Increased awareness of the rights and responsibilities of employers and workers	Change in awareness among employers and workers before and after programme	Employers' and Workers' Survey	Lack of awareness of the rights and responsibilities of employers and workers is a major contributor to the lack of compliance

FOR FURTHER INFORMATION

ILO (2012) *Decent Work Indicators; Concepts and Definitions*, ILO, Geneva

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Sample Indicators

DOMAIN: IMPROVING THE OVERALL QUALITY OF REGULATORY GOVERNANCE

DOMAIN: IMPROVING THE OVERALL QUALITY OF REGULATORY GOVERNANCE			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Increased transparency in government regulation and	Perception of business owners and managers	Business perception survey: pre- and post-reforms	
Increase in the number of government ministries that assess the consequences of regulatory and administrative reforms before they are introduced	Number of ministries applying regulatory impact assessments prior to the introduction of new regulations or administrative procedures Baseline value: no impact assessment in the review of new policies/regulations Target value: impact assessment is applied for all new policies/ regulations	Query and analysis at a state agency and / or the relevant regulatory body for policy impact assessment	
Inspections by the state inspection authority are carried out using simplified, transparent and non-discriminatory procedures	Perception of business owners and managers regarding the complexity/simplicity, transparency and non-discriminatory nature of government inspection procedures	Business perception survey: pre- and post-reforms	
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Current stock of regulations is systematically reviewed to ensure they continue to meet their intended objectives efficiently and effectively	Number of regulations reviewed against the principles of good regulation	Programme documentation	
New, simplified and transparent inspection procedures are endorsed by the relevant government authority	Inspection procedures of relevant government authority	Review of documents	
Consultative mechanisms for private sector input into new, draft laws, regulations and procedures established	Number of consultative mechanisms established	Programme documentation	

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Sample Indicators

DOMAIN: IMPROVING THE OVERALL QUALITY OF REGULATORY GOVERNANCE

	Number of legal, regulatory and administrative proposals discussed with the private sector before being introduced	Programme documentation; Survey of business membership organisations	
Business regulation and procedures are digitised and put on-line for improved access and transparency	Number of business-related regulations and procedures that have been digitised and are easily available on-line	Programme documentation; Review of on-line facilities of relevant government ministries and regulatory authorities: pre- and post-reforms	

FOR MORE INFORMATION:

Jacobzone, S., C. Choi and C. Miguët (2007), *Indicators of Regulatory Management Systems*, OECD Working Papers on Public Governance, 2007/4, OECD Publishing.

doi:10.1787/112082475604 OECD

OECD (2012) *Recommendation of the Council on Regulatory Policy and Governance*, OECD, Paris

World Bank (2010) "Regulatory Quality Indicators", *Better Regulation for Growth; Governance Frameworks and Tools for Effective Regulatory Reform*, Investment Climate Advisory Group, World Bank Group, Washington DC

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Sample Indicators

DOMAIN: SIMPLIFYING AND SPEEDING UP ACCESS TO COMMERCIAL COURTS AND TO ALTERNATIVE DISPUTE-RESOLUTION MECHANISMS

DOMAIN: SIMPLIFYING AND SPEEDING UP ACCESS TO COMMERCIAL COURTS AND TO ALTERNATIVE DISPUTE-RESOLUTION MECHANISMS			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Reduction in the number of procedures required to enforce a contract through the courts	Number of steps required to file and serve a case	Expert advice on the number of steps for a typical case; Review of relevant laws and regulations; Review of court documents: pre- and post-reforms	A procedure is defined as any interaction, required by law or commonly used in practice, between the parties or between them and the judge or court officer. Other procedural steps, internal to the court or between the parties and their counsel, may be counted as well. Procedural steps include steps to file and serve the case, steps to assign the case to a judge, steps for trial and judgment and steps necessary to enforce the judgment (World Bank Doing Business, see below)
	Number of steps required to reach trial and judgement		
	Number of steps required to enforce judgement		
Reduction in the time required to enforce a contract through the courts	Time (calendar days) required to file and serve a case	Expert advice on the number of calendar days required for a typical case; Review of relevant laws and regulations; Review of court documents: pre- and post-reforms	Time is recorded in calendar days, counted from the moment the plaintiff decides to file the lawsuit in court until payment. This includes both the days when actions take place and the waiting periods between. The average duration of different stages of dispute resolution is recorded: the completion of service of process (time to file and serve the case), the issuance of judgment (time for the trial and obtaining the judgment) and the moment of payment (time for enforcement of the judgment). World Bank Doing Business - see below.
	Time (calendar days) required to reach trial and judgement		
	Time (calendar days) required to enforce judgement		
Reduction in the cost required to enforce a contract through the courts	Average cost of attorney fees based on a percentage of the claim	Expert advice on costs: pre- and post-reforms	Court costs include all court costs that Seller (plaintiff) must advance to the court, regardless of the final cost to Seller. Enforcement costs are all costs that Seller (plaintiff) must advance to enforce the judgment through a public sale of Buyer's movable assets, regardless of the final cost to Seller. Average attorney fees are the fees that Seller (plaintiff) must advance to a local attorney to represent Seller in the standardized case. (World Bank Doing Business - see below)
	Court costs		
	Enforcement costs		
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Establishment of specialised commercial courts	Commercial courts established and operational	Programme documents; Physical audit	

Measuring Business Environment Reform Results Sample Indicators

DOMAIN: SIMPLIFYING AND SPEEDING UP ACCESS TO COMMERCIAL COURTS AND TO ALTERNATIVE DISPUTE-RESOLUTION MECHANISMS

Introduction of an effective case management system and automation	Case management system in use by courts	Programme documents; Physical audit	
	Automation of case management	Programme documents; Physical audit	
Facility established to allow electronic filing of complaints	New electronic complaints filing facility established and operations	Programme documents; Physical audit	
Alternative dispute resolution facility established to ease pressure on courts	New alternative dispute resolution facility established and operational	Programme documents; Physical audit	
	Client feedback from use of ADR facility	Client survey — annual	

FOR MORE INFORMATION:

World Bank: Doing Business – Enforcing Contracts Methodology: <https://www.doingbusiness.org/en/methodology/enforcing-contracts>
Djankov, S., R. La Porta, F. Lopez-de-Silanes and A. Shleifer (2003) *Courts*, World Bank Group, Washington DC
World Bank Group (2011) *Alternative Dispute Resolution Guidelines*, Investment Climate Advisory Group, World Bank, Washington DC
IFC (2014) *Enterprise Surveys Indicator Descriptions*, 10 June, Washington DC: <https://www.enterprisesurveys.org/en/enterprisesurveys>

Measuring Business Environment Reform Results

Sample Indicators

DOMAIN: IMPROVING LAND TITLES, REGISTERS AND ADMINISTRATION

DOMAIN: IMPROVING LAND TITLES, REGISTERS AND ADMINISTRATION			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Increase in the volume of land that is formally recognised	Percentage of formal land rights coverage	Review of records: Overview of the types and extents of formal tenure regimes and the tenure security offered by them	
	Percentage of the country and population covered by the formal land tenure system	An estimate of the percentage of the country area and percentage of the population living on land where the rights are formally recognized. This includes land held by formal rights in the past where subsequent dealings have not been registered (avoiding where possible double counting) but excluding, where possible, areas long occupied by informal settlers.	
Reduction in the level, time and cost to resolve land disputes	Level of land disputes (Low, Medium, High)	Review of records: an assessment of the level of disputes over land, including on-going land-related court cases	
	Dispute resolution time (days)	Review of records: Average time taken to resolve land disputes (can also be done by the use of anecdotal experience)	
Reduction in the time and cost to register or transfer land for business purposes	Time required to register transfer of land (days)	Expert advice (e.g., lawyers, conveyancers)	
	Transfer cost as a percentage of property value	Expert advice (e.g., lawyers, conveyancers)	
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Framework prepared for the long-term development of the land administration system	Framework for reform of the land administration and tenure system developed and agreed by all parties	Review of programme documents	
Improved coordination and service delivery	Single land administration agency (one-stop shop) established	Review of programme documents; Physical audit	
Digitization of land records	Percentage of land records digitised	Review of records	

FOR MORE INFORMATION

Burns, T., Grant, C., Nettle, K., Brits, A., and Dalrymple, K. (2006) Land Administration Reform; Indicators of Success, Future Challenges, Land Equity International, Wollongong
World Bank Doing Business – Registering Property: <https://www.doingbusiness.org/en/methodology/registering-property>

Measuring Business Environment Reform Results

Sample Indicators

DOMAIN: BROADENING PUBLIC-PRIVATE DIALOGUE PROCESSES

DOMAIN: BROADENING PUBLIC-PRIVATE DIALOGUE PROCESSES			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Sustained increase in the quality and quantity of advocacy and public-private dialogue (PPD)	Number of funded advocacy projects with documented evidence of achievement of advocacy and PPD outcomes	Programme records BMO survey: pre- and post-programme achievements	PPD in improved through better representation and preparation by BMOs
Improved voice and accountability for poor men and women	Number of firms participating in business membership organisations (BMOs) (disaggregated by female and male-owned enterprises)	BMO survey: pre- and post-programme engagement by BMOs in advocacy and PPD	
Advocacy contributes to an improvement in the business environment at all levels	Percentage of agreed advocacy actions implemented by targets achieving the intended final results	Review of programme documents; review of monitoring and evaluation reports	Government/Targets are willing to undertake reforms; Private sector continues to grow (See E&Y 2014)
	Number of functioning PPD structures	Survey of structures	
	Percentage of advocacy actions rated successful	Advocacy competence assessment diagnostic tool	
	Percentage increase in fee-paying membership private sector organisations	Review of programme documents; review of monitoring and evaluation reports	
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Increase in BMO resources devoted to advocacy and PPD	Changes in BMO budgets devoted to advocacy and PPD	Compare BMO records at start of programme and after	
More inclusive practices (e.g., more women involved in advocacy and PPD)	Changes in BMO membership: ratio of male and female	Compare BMO records at start of programme and after	
Copying and crowding-in by system actors	Increase in the number of actors engaging in advocacy and PPD	Compare PPD records at start of programme and after	
PPD platforms are established and operational	The platform for PPD is established, with agreement to meet x times a year	Document review: Minutes of dialogue platforms, participants lists, compilation and analysis of the list of agreements	
Increase in the use of PPD products	Existence of evidence-based analytical output	Document review: Percentage of PPD recommendations that include policy papers, position papers, reviews or assessments	

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Sample Indicators

DOMAIN: BROADENING PUBLIC-PRIVATE DIALOGUE PROCESSES

	Volume of recommendations generated by PPD processes	Document Review: Number and kind of economic or reform proposals that were generated through PPD processes	
Improved PPD operations	PPD process outputs	Document review: Number of working group and forum meetings	
Increase in trust and cooperation among PPD partners	Improvements in trust and cooperation	Percentage of respondents of stakeholders indicating increase in trust, understanding and cooperation between stakeholders	
Increased ownership of PPD processes	Tailoring PPD processes	Stakeholder interviews: Degree to which dialogue or partnership has innovated or changed existing institutional structures	

FOR FURTHER INFORMATION:

Herzberg, B. and A. Wright (2006) *The PPD Handbook: A Toolkit for Business Environment Reformers*, Washington DC

PPD Evaluation Wheel: http://www.publicprivatedialogue.org/tools/ANNEXES/evaluation_tool/

Ernst & Young (2014) *Support to Private Sector Development Phase II (SPDS II); Programme Monitoring and Evaluation Plan*, March, Danida, Ghana

DCED (2013) *Measuring the Results Of Donor-Supported Business Advocacy and Public-Private Dialogue – The case of ENABLE Nigeria*, in Case Studies in the Measurement of Donor-Supported Business Environment Reform Results: https://www.enterprise-development.org/wp-content/uploads/Donor_Guidance_Annex_on_Measuring_BER_Results_Ca.pdf

Adam Smith International & Springfield Centre (2013) *Making Business Membership Organisations Work for the Poor*; Case Study, ENABLE, Nigeria

Adam Smith International & Springfield Centre (2011) *The ENABLE Programme in Nigeria; A Market Systems Approach to Public-Private Dialogue and Business Environment Reform*, ENABLE, Nigeria

Measuring Business Environment Reform Results

Sample Indicators

DOMAIN: IMPROVING ACCESS TO MARKETS THROUGH TRADE AND CUSTOMS REFORM

DOMAIN: IMPROVING ACCESS TO MARKETS THROUGH TRADE AND CUSTOMS REFORM			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Reduced trade costs	Percentage decrease in average price for transporting X goods between Point A and Point B	Transport firm survey	Reduced costs in transportation will reduce overall cost of trade
Reduced trade regulatory and operating costs	Actual costs (i.e., time, fees, charges) incurred in complying with trade and customs regulations	Firm survey: importing and exporting costs	Reduced compliance costs will increase the volume of trade
		Review of import and cost costs	
		Border crossing time surveys	
Reduced time to import and export goods	Actual time required to move X goods for point A to port B	Importers and exporters survey	Reduction in time to import and export will lead to increased levels of trade
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
One-stop border posts operational	Time to complete all cross-border processes	Border crossing time surveys	One-stop border posts reduce the time required to comply with trade and customs obligations
Simplified and harmonised trade and customs procedures implemented	Reduction in the number of steps required to import and export goods	Compare old procedures with new	Simplified and harmonised procedures reduce the number of steps required to comply with trade and customs obligations
On-line trade and customs procedures implemented	Percentage of transactions completed online in real time	Compare old procedures with new	An online documentation of procedures contributes to a reduction in the number of steps required to comply with trade and customs obligations
Non-tariff barriers eliminated	Number of non-tariff barriers eliminated	Documentation review	Non-tariff barriers are a significant barrier to trade
Policy framework for trade improves	Evidence of policy changes, especially the implementation and enforcement of new laws, policies and regulations	Document review; case studies	Policy reform will guide legal and regulatory reforms

FOR MORE INFORMATION

DCED (2013) *Measuring the Results of Donor-Supported Trade and Customs Reform – The case of TradeMark East Africa*, in Case Studies in the Measurement of Donor-Supported Business Environment Reform Results: https://www.enterprise-development.org/wp-content/uploads/Donor_Guidance_Annex_on_Measuring_BER_Results_Ca.pdf
 Huchet-Bourdon, M., A. Lipchitz and A. Rousson (2009) "Aid for Trade in Developing Countries: Complex Linkages for Real Effectiveness", in *African Development Review* 21(2), pp. 243-290. Africa Development Bank, Tunis

OECD (2009) *Trading out of poverty: how aid for trade can help*. Organisation for Economic Cooperation and Development, Paris

OCED & WTO (2010) *Aid for Trade: Is it working?*, OECD, Paris, available from: <http://www.oecd.org/dac/aft/45581702.pdf>

TMEA (2012) *TMEA Monitoring, Evaluation and Learning Procedures; How to measure what you are doing, and whether it's working*, version 2, 6 November

Measuring Business Environment Reform Results Sample Indicators

DOMAIN: REFORMS THAT PROMOTE HUMAN RIGHTS - MEASURING THE IMPACT OF BUSINESS ENVIRONMENT REFORMS ON HUMAN RIGHTS

DOMAIN: REFORMS THAT PROMOTE HUMAN RIGHTS - MEASURING THE IMPACT OF BUSINESS ENVIRONMENT REFORMS ON HUMAN RIGHTS			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Reduction of any form of discrimination (i.e., increase in "non-discrimination")	Number of complaints received by business owners, managers or workers: pre- and post-reform interventions	Programme documents; Complaints register (see output below); Consultations with business organisations and workers' organisations	
Increase in government accountability	Awareness of government and office-bearers' roles and responsibilities: pre- and post-reform interventions	Perception survey of government officials and office-bearers: pre- and post-reform interventions	
Increase in government transparency	Awareness of government policies and programmes, laws and regulations: pre- and post-reform interventions	Survey of enterprise owners and managers: pre- and post-reform interventions	
Increase in participation in the economy by women and disadvantaged and vulnerable groups	Number of target group members who own and manage their own enterprise, disaggregated by enterprise size, sector and location	Survey of enterprises: pre- and post-reform interventions	
Enterprises within the selected value chains show improved compliance with Global Compact principles	Number of enterprises complying with Global Compact principles	Survey of enterprises in selected value chains: pre- and post-reform interventions	
Qualitative changes in the recognition of and respect for rights	Number of enterprise owners and managers that exhibit an understanding and respect for human rights, including worker rights and consumer rights	Survey of enterprise owners and managers: pre- and post-reform interventions	
Improved gender equality in business ownership, management and employment	Proportion of women who own their own business, or are employed as managers or as workers, disaggregated by firm size, sector and location	Survey of enterprises: pre- and post-reform interventions	
POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Legal and regulatory framework reviewed against international treaties, laws and standards	Number of laws and regulations reviewed	Programme documentation: pre- and post-reforms	

Measuring Business Environment Reform Results Sample Indicators

DOMAIN: REFORMS THAT PROMOTE HUMAN RIGHTS - MEASURING THE IMPACT OF BUSINESS ENVIRONMENT REFORMS ON HUMAN RIGHTS

Legal and regulatory framework amended to enhance accountability of government, business and office bearers	Number of amendment made to the legal and regulatory framework	Programme documentation: pre- and post-reforms	
Complaints mechanism established for businesses to raise administrative and regulatory concerns	Complaints mechanism established and operational	Programme documentation; Physical audit; Regular monitoring reports; Register of complaints received	
	Number of complaints received / Number of complaints acted upon		
Human rights training for all government officials and regulatory authority office bearers	Number of training programmes conducted	Programme documentation	
	Number of officials trained	Programme documentation	
On-line information on business laws, regulations and procedures established	On-line business portal established and operational	Programme documentation; Physical audit; Monitoring report of portal visits and use	

MORE INFORMATION

Danida (2012) *The Right to a Better Life; Strategy for Denmark's Development Cooperation*, Danida, Copenhagen

SIDA: *The Human Rights Based Approach to Achieve Results – a Guiding Checklist* : <http://www.melander-schnell-consultants.se/docs/The%20Human%20Rights%20Based%20Approach%20to%20Achieve%20Results%20-%20A%20Guiding%20Checklist.pdf>

OHCHR (2006): *Principles and Guidelines for a Human Rights Approach to Poverty Reduction Strategies* : <http://www.ohchr.org/Documents/Publications/PovertyStrategiesen.pdf>

Measuring Business Environment Reform Results
Sample Indicators

DOMAIN: REFORMS THAT PROMOTE GREEN GROWTH

DOMAIN: REFORMS THAT PROMOTE GREEN GROWTH			
OUTCOMES	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Policy framework that promotes green growth	Policy framework contains the following characteristics:		The conditions of the business environment determine to a large extent the effectiveness of renewable energy and enabling environment policy and associated transaction costs (e.g., institutional capacity for planning sustainable energy, existence of legal provisions allowing private sector participation, efficient regulatory processes and approvals, investment-grade policy — transparent, clear and long-term, access to the grid)
	Promotes sustainable energy and is firmly anchored into national and regional development plans as well as sector level strategies	Review of policy documents	
	Is part of a broader national long term infrastructure development strategy	Review of policy documents	
	Is part of a long term integrated resource and least cost planning (that considers regional dynamics as well as energy access strategies)	Review of policy documents	
	Is compatible with the conditions of the economy, business environment, electricity market, governance performance, and institutional, administrative and monitoring capacity	Review of policy documents	
	Considers the inter-linkages and synergies between renewable energy, energy efficiency and energy access	Review of policy documents	
	Is customised in tandem with available financial and de-risking instruments (including concessional) to effectively leverage private sector participation, where desirable and feasible.	Review of policy documents	
Increased (and inclusive) access to green technologies and solutions	Evidence of project replication	Review of programme documentation	Copying of the business model by other businesses; Crowding-in - other businesses
	Evidence of changes in factor and other market systems	Review of programme documentation	Changes in factor and other markets systems as a result of the project. These would include the availability of: Land, Labour, and Capital/financial services/loans Information

Measuring Business Environment Reform Results Sample Indicators

DOMAIN: REFORMS THAT PROMOTE GREEN GROWTH

	Evidence of Innovation	Review of programme documentation	
	Amount of carbon emissions avoided	Review of programme documentation	Only for companies intending to access the carbon market, usually above USD 100,000. Data collected by companies, in their own interest, with their own resources
	Installed, off-grid clean electricity capacity (Mw equivalent)	Review of programme documentation	Clean energy is defined as renewable energy, meaning technologies using non-depletable sources such as solar, wind, biomass, biogas, geothermal, micro-and small-hydro, including energy efficiency measures that improve the proportion of useful heat or power derived from a given energy source such as wood, charcoal and other renewable fuels
	Evidence of climate adaptation	Review of programme documentation	
	Number of businesses directly created as a result of programme support	Review of programme documentation	
Increase in factors of production (physical capital, human capital, and natural capital)	Measured by the additional production from increased capital (potentially measured by the value of ecosystems or renewable resources), or by the value of additional capital.		See World Bank (2012)
Accelerated innovation, through correction of market failures in knowledge	Measured by productivity indicators (e.g., efficiency of photovoltaic panels used to produce electricity) or dissemination indicators (e.g., the fraction of the population with access to photovoltaic electricity).		See World Bank (2012)
Enhanced efficiency, through correction of non-environmental market failures	Measured by indicators for resource efficiency (e.g., the material or energy intensity of production, reduction in the time of in the value of time lost from congestion), or by additional production.		See World Bank (2012)

Measuring Business Environment Reform Results
Sample Indicators
DOMAIN: REFORMS THAT PROMOTE GREEN GROWTH

POSSIBLE OUTPUTS	INDICATORS	VERIFICATION	ASSUMPTIONS/COMMENTS
Policy framework that promotes green growth	Policy framework contains the following characteristics:		The conditions of the business environment determine to a large extent the effectiveness of renewable energy and enabling environment policy and associated transaction costs (e.g., institutional capacity for planning sustainable energy, existence of legal provisions allowing private sector participation, efficient regulatory processes and approvals, investment-grade policy — transparent, clear and long-termed, access to the grid)
	Promotes sustainable energy and is firmly anchored into national and regional development plans as well as sector level strategies	Review of policy documents	
	Is part of a broader national long term infrastructure development strategy	Review of policy documents	
	Is part of a long term integrated resource and least cost planning (that considers regional dynamics as well as energy access strategies)	Review of policy documents	
	Is compatible with the conditions of the economy, business environment, electricity market, governance performance, and institutional, administrative and monitoring capacity	Review of policy documents	
	Considers the inter-linkages and synergies between renewable energy, energy efficiency and energy access	Review of policy documents	
	Is customised in tandem with available financial and de-risking instruments (including concessional) to effectively leverage private sector participation, where desirable and feasible.	Review of policy documents	
Improved public access to information about the sustainability of development, complementing existing safeguard instruments	Information available to the public on green growth, sustainability and the impact of development	Survey; Review of programme documents	Business environment reform programmes aim to increase the information available on how development project affect economic growth, social development and the environment

Measuring Business Environment Reform Results

Sample Indicators

DOMAIN: REFORMS THAT PROMOTE GREEN GROWTH

Legal and institutional conditions have been created for energy-efficient and low-emission manufacturing processes	Aspects of a Green Economy (e.g. energy efficiency, introduction of low-toxicity products) are established and budgeted in X national and Y regional development plans/ plans of measures / funding programs. Baseline value: no aspects of a Green Economy established and budgeted in development plans / plans of measures	Evaluation of development plans/ plans of measures	
The government has passed framework legislation on the taxation of fossil fuels and environmental pollutants	The government has passed by not later than XX (date) a framework legislation on the taxation of fossil fuels and environmental pollutants (Baseline value: no framework legislation existing)	Official bulletins and publications	

SOURCES:

Green Growth Knowledge Platform (2013) *Moving towards a Common Approach on Green Growth Indicators* ; A Green Growth Knowledge Platform Scoping Paper, Global Green Growth Institute, Organisation for Economic Co-operation and Development, United Nations Environment Programme, and World Bank

Danida (2012) *The Right to a Better Life; Strategy for Denmark's Development Cooperation* , Danida, Copenhagen

Kenya Business Sector Programme Support (Danida)

World Bank (2012) *Inclusive Green Growth: The Pathway to Sustainable Development* , 2012, World Bank, Washington, DC.

OECD (2013) *Towards Green Growth: Monitoring Progress - OECD Indicators* , OECD, Paris, Forthcoming

Danida (Forthcoming) *Green Growth Guidance Note* , Danida, Copenhagen

Danida (2013) *A Greener World for All; NEC Strategy* , Strategic Framework for Priority Areas, Natural Resources, Energy, and Climate Change, Danida, Copenhagen

Green Growth Knowledge Platform (GGKP): <https://www.greengrowthknowledge.org/about-us>