

The Improving Business Environment for Prosperity (IBEP) Program implemented by the World Bank Group aims to strengthen the design and implementation of business environment reforms in middle-income countries. IBEP is supported by the UK Prosperity Fund, whose mission is to support the inclusive economic growth needed to reduce poverty in partner countries, contributing to the UN Sustainable Development Goals.

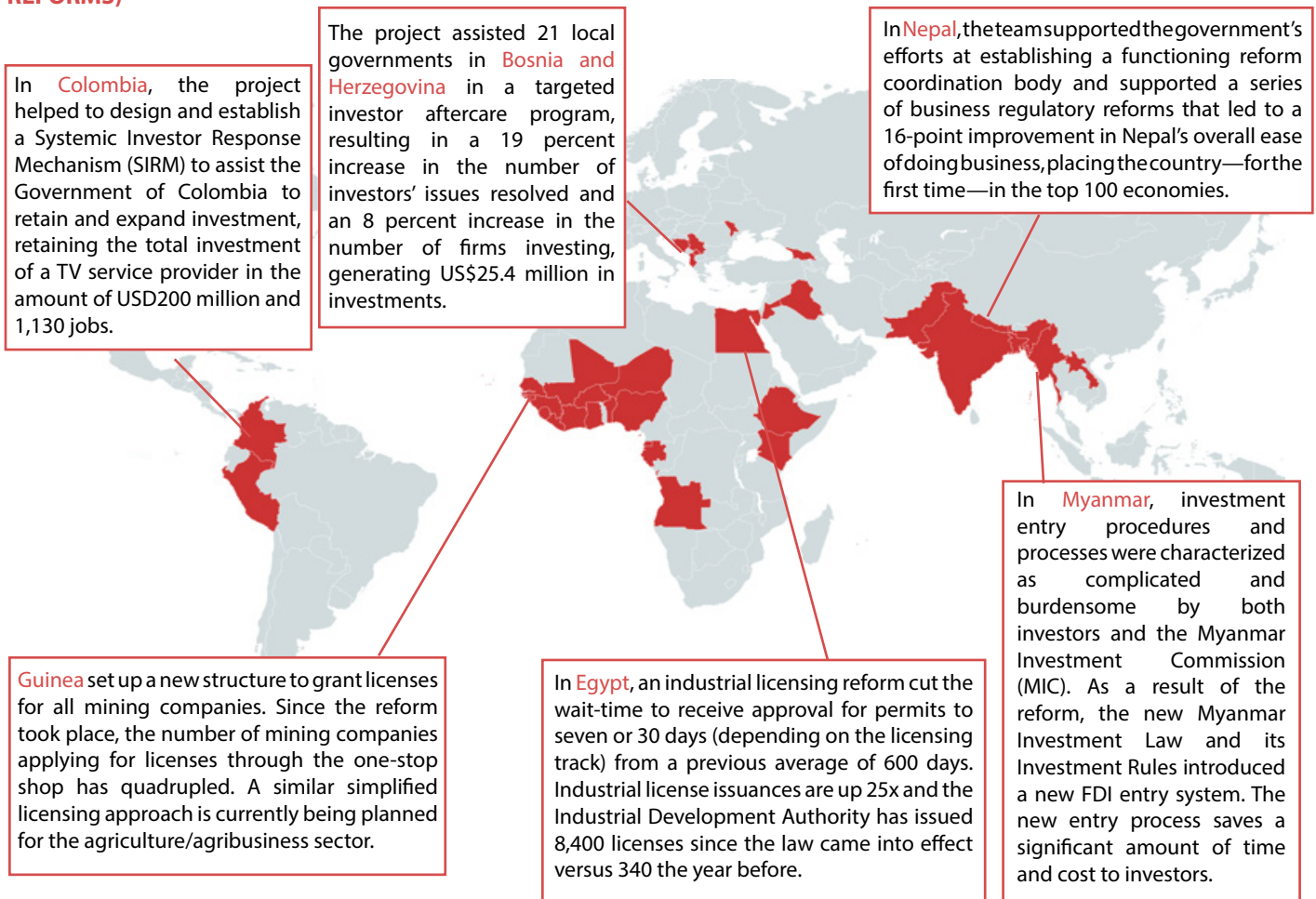
GLOBAL INFLUENCE STORY

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GLOBAL INFLUENCE WINDOW AND REFORMS IN NON-IBEP COUNTRY PROJECTS

The IBEP Program's Global Influence Window produces diagnostics and reform tools for the tracking of the global investment landscape and knowledge products to support client governments—within and beyond the IBEP Program—in response to emerging global trends, challenges, and opportunities. This note provides a summary of the 29 investment climate reforms that were undertaken with the WBG's assistance in non-IBEP country projects that were informed or facilitated by activities developed by the IBEP Global Window from the beginning of the IBEP Program until September 2020. These reforms demonstrate the Global Window's influence and reach globally, with reforms covering countries across all continents, economies at different levels of development, and a diverse set of policy areas.

FIGURE 1: SAMPLE REFORMS IN NON-IBEP COUNTRY PROJECTS (DISPLAYING 6 EXAMPLES OUT OF A TOTAL OF 29 REFORMS)



LIST OF 29 REFORMS IN NON-IBEP PROJECT COUNTRIES



SUB-SAHARAN AFRICA

Angola	<p>Implementing a competition policy framework</p> <p>The project supported the Government of Angola on issuing the first-ever competition law in the country, establishing the legal mandate to (i) investigate, prosecute, and adjudicate anticompetitive practices, (ii) implement a merger control framework, and (iii) promote competition advocacy.</p>
ECOWAS (regional reform)	<p>Removing barriers in cross-border intra-regional and extra-regional investment</p> <p>In the ECOWAS region, two pieces of new legislation removed cross-border investment barriers and investment climate constraints to intra- and extra-regional investments. This new legislation fills gaps in the national investment codes of the ECOWAS member states by providing best practice investment protection guarantees.</p>
Equatorial Guinea	<p>Stimulating new business start-up</p> <p>In alignment with international best practice, the government lowered 10-fold the minimum capital required for starting a company. The project supported the reform by demonstrating regional practices of OHADA member states, and by supporting the drafting process of the new legislation.</p>
Ethiopia	<p>Ethiopia Investment Promotion</p> <p>The project supported the Ethiopian Investment Board reform agenda, which will allow 100% foreign ownership of firms providing maintenance and servicing operations. The reform has already attracted several foreign firms that have experience in industrial machineries and/or medical devices manufacturing and maintenance.</p> <hr/> <p>Fostering investor retention through better grievance resolution</p> <p>The project team supported the Ethiopian Investment Commission with the design and implementation of an SIRM that aims to better detect, manage, and track investor grievances to retain.</p>
Gabon	<p>Improving the institutional setup for investment</p> <p>The project provided support on the revision of the institutional landscape and legal framework for investment, the creation and operationalization of the national IPA, and the establishment of the High Council for Investment as the public-private dialogue platform to discuss barriers and propose investment climate reforms.</p>
Guinea	<p>Reform to simplify licensing in Guinea's mining sector</p> <p>Guinea set up a new structure to grant licenses for all mining companies. The structure entails a streamlined process and the establishment of a one-stop shop. Since the reform took place, the number of mining companies applying for licenses through the one-stop shop has quadrupled. A similar simplified licensing approach is currently being planned for the agriculture/agribusiness sector.</p>
Kenya	<p>Improving market and competition policy</p> <p>In Kenya, the project provided technical assistance to support the national government to implement legal and regulatory changes to the framework shaping competition.</p>
Mali	<p>Increasing transparency of investment incentives</p> <p>An inventory of all investment incentives in Mali has been compiled and published on the website of the Agency for Promotion of Investments to foster transparency of investment incentives and to improve their governance and administration. A key objective of the incentive reform has been to support investor certainty, improve access to information, and create a level playing field for both foreign and domestic investors.</p>



EAST ASIA AND PACIFIC

Laos	<p>Facilitating business start-up</p> <p>The process of starting a business in Laos has become easier through legal, institutional, and administrative reforms supported by the project. These included (1) Integrated company and tax registration; (2) Streamlined business registration procedures; (3) Removal of VAT registration and tax ID prerequisites; and (4) Increased transparency and predictability of online access to data and information on regulations and procedures.</p>
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Myanmar	<p>Simplified FDI entry</p> <p>In Myanmar, investment entry procedures and processes were characterized as complicated and burdensome by both investors and the Myanmar Investment Commission. As a result of the reform, the new Myanmar Investment Law and its Investment Rules introduced a new FDI entry system, saving time and cost to investors.</p>
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EUROPE AND CENTRAL ASIA

Albania	<p>Increasing transparency of investment incentives</p> <p>Prior to the reform, Albania's investment incentives regime was neither transparent nor predictable for investors. Supported by the project, the Government of Albania developed a comprehensive database on 45 investment incentives, including detailed information on their legal source, eligibility criteria, administration and governance, and monitoring and evaluation.</p>
Bosnia and Herzegovina	<p>Investment Promotion and Aftercare</p> <p>The project assisted 21 local governments in Bosnia and Herzegovina in developing and implementing a targeted investor aftercare program through multi-level government collaboration. The targeted aftercare program resulted in a 19 percent increase in the number of investors' issues resolved and an 8 percent increase in the number of firms investing, generating US\$25.4 million in investments.</p>
Georgia	<p>Improving the investors' grievances mechanism</p> <p>The IBEP project provided support to further strengthen Georgia's existing mechanism for handling investors' grievances under the Business Ombudsman's Office (BOO). According to the reports generated by the system, investments retained in 2018 amounted to 80 million USD, which is 6-7 percent of the attracted investments in Georgia while the total number of jobs retained amounted to 3,208.</p>
Kosovo	<p>Increasing transparency of investment incentives</p> <p>In Kosovo, the IBEP project supported the government with the compilation of a centralized database of all incentives offered to investors, sending an important signal to investors about the direction of Kosovo's policy towards a more investor-friendly environment.</p>
Moldova	<p>Reforms to eliminate unnecessary licenses in Moldova</p> <p>In Moldova, the project helped to revise and reengineer all permissive documents compulsory for carrying out entrepreneurial activity, resulting in the elimination of 134 permissive acts and 17 licenses. The Moldovan Investment Climate Reform (ICR) Project assisted the government by creating an inventory of the existing permissive acts in several legislative acts and establishing a set of recommendations for the government.</p>
Serbia	<p>Supporting the legal framework for increased competition</p> <p>In Serbia, the Parliament adopted the Health Care Act, which included a proposal to introduce a quota for pharmacies. The project subsequently provided technical assistance, which resulted in the withdrawal of the proposal based on the finding that the quota would have effectively closed the market for pharmaceutical retail in the country to new entrants. Further, the project supported the issuance of a new law which foresees the independence of the State Aid Control Commission from the government, with members of the commission now appointed by Serbian Parliament, the funding guaranteed by law, and is independent from the MoF.</p>
	<p>Supporting targeted and pro-active investment promotion</p> <p>Prior to the IBEP-supported reform in Serbia, the Serbian Economic Development Agency relied heavily on its generous incentives schemes to attract foreign investors and on the agency's promotional activities that were limited to "passive" participation in business fairs and networking events. The reform introduced a new, pro-active and targeted approach to investor outreach, thus significantly enhancing the agency's investor-focused services and aligning them with international best practices.</p>



LATIN AMERICA AND CARIBBEAN

Colombia	<p>Colombia Investment Protection and Retention</p> <p>The project helped to establish a Systemic Investor Response Mechanism (SIRM) to assist the government to retain and expand investment. The operationalization of the SIRM allowed the Directorate of foreign investment and services to retain the investment of a TV service provider in the amount of USD200 million and 1,130 jobs.</p>
Peru	<p>Strengthening market competition during COVID-19</p> <p>In Peru, to mitigate the effects of the COVID-19 crisis, the project supported an emergency Presidential Decree to strengthen transparency mechanisms to reduce information asymmetry among consumers to boost competition and prevent excessive prices, ultimately preventing the establishment of potentially restrictive price controls.</p>



MIDDLE EAST AND NORTH AFRICA

Egypt	<p>Investment Licensing Program In Egypt, the reform aimed at streamlining the industrial licensing process cut the wait-time to receive approval for permits to seven or 30 days (depending on the licensing track) from a previous average of 600 days. Industrial license issuances are up 25x since Industrial Permits Act. The Industrial Development Authority has issued 8,400 licenses since the law came into effect versus 340 the year before.</p>
Iraq	<p>Addressing investors' grievances In Iraq, the project provided technical assistance to the Basra Investment Commission to establish a formal mechanism to address investors' grievances and legal claims in the form of specialized aftercare services. To date, at least four investment grievances have been solved and investment retained in the amount of US \$469,935,000.</p>
Jordan	<p>Jordan licensing In Jordan, a new set of recommendations streamlining licensing requirements in strategic sectors was approved. The project conducted a mapping of licenses imposed on businesses and identified operational licenses that were found to be redundant and not serve a public policy objective. As a result, the government issued a decree abolishing certain licenses, including licenses in the tourism sector, licenses for educational/cultural centers, and licenses by the Media Commission for the operation of libraries.</p>



SOUTH ASIA

Bangladesh	<p>Streamlining administrative processes through an integrated delivery approach In Bangladesh, the team supported the government in introducing a one-stop shop of administrative procedures, including for private investment approvals at the Bangladesh Investment Development Authority. This project aimed to ensure coordinated, transparent, and predictable service delivery.</p> <p>Stimulating new business start-up Following international best practice recommended by the World Bank Doing Business Reform Memo, the Ministry of Commerce significantly lowered business registration costs, thus reducing the cost of starting a business from 21.2 percent to 8.7 percent of income per capita.</p>
India	<p>Enhancing subnational investment promotion In India, the project provided technical assistance to establish a new subnational IPA in the state of Assam as well as to strengthen the coordination between Invest India and the subnational IPA. Drawing on project recommendations, Invest Assam was created to focus on its investment promotion mandate.</p>
Nepal	<p>Improving the institutional setup for business environment reforms In Nepal, the team supported the government's efforts at establishing a functioning reform coordination body by providing them with a note on institutional setup options and lessons learned from other countries. The team also supported a series of business regulatory reforms that led to a 16-point improvement in Nepal's overall ease of doing business and placed it—for the first time—in the top 100 economies.</p>
Pakistan	<p>The following reforms took place outside the IBEP Country Engagement Window: Equalizing the company start up process for men and women The project supported the government in enacting amendments to the Pakistan Companies Bill, equalizing the business registration process and entrepreneurship procedures for men and women. The amendments lifted the requirement for women entrepreneurs to provide the name of their father or husband during the company incorporation process and in the submission of the company memorandum and articles of association.</p> <p>Improving the business environment The project supported the government in implementing a series of business environment reforms, resulting in significantly improving its position on the ease of doing business index (by close to 30 ranks in DB20). Among the six areas reformed in Pakistan was starting a business, where over 30,000 firms have already benefited from a new online business registration portal integrating several agencies.</p>

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