



**WORLD BANK GROUP**  
Trade & Competitiveness

# Global Trends in Business Environment Reforms

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# WHAT WE DO

- ① help design business regulation
- ② improve regulatory delivery

We assist governments improve the policies, institutions, regulations and procedures that affect business activities in a country – from business entry to growth to competitiveness in the international market.

**100 projects in over 70 countries**



# INVESTMENT COMPETITIVENESS

PILLAR I

Formalization and Entry

PILLAR II

Operation and Growth

PILLAR III

Upgrade and linkages

Domestic businesses

FDI

Entry

Investment  
Attraction

Operation

Ability to  
compete on  
international  
markets

Linkages &  
Spillovers

Investment  
Entry

Expansion and  
diversification

Investment  
Retention &  
Expansion

CROSS-CUTTING

Cutting red tape while  
protecting public goods  
(risk based)

Transparency - Access to  
Information and  
Consultation

Good quality Government  
to Business service delivery

## EASE OF DOING BUSINESS - GREECE

	Greece	New Zealand	Italy	France
Ease of Doing Business	61	1	50	29
Starting a Business	56	1	63	27
Dealing with Construction Permits	58	1	86	20
Getting Electricity	52	34	51	25
Registering Property	141	1	24	100
Getting Credit	82	1	101	82
Protecting Minority Investors	42	1	42	32
Paying Taxes	64	11	126	63
Trading Across Borders	29	55	1	1
Enforcing Contracts	133	19	108	18
Resolving Insolvency	52	34	25	24

# BUSINESS ENVIRONMENT REFORMS - high on the political agenda

## UK:

- Red tape challenge (2011)
- One-in two-out - in terms of costs of new regulation (2013)

## EU:

- New Better Regulation Guidelines (2015)
- Regulatory Fitness and Performance Program – REFIT (2015)

## Canada:

- Red Tape Reduction Act (2015)

## US:

- Executive Order “Using Behavioral Science Insights to Better Serve the American People” (2015)
- GoP first 100 days program: for every new federal regulation, two existing regulations must be eliminated (2016)

lower admin. burden for businesses while safeguarding public goods (risk-based approaches)

transparency, consultation and access to information

enable easy and efficient access to information and G2B services

# LOWERING BURDEN FOR BUSINESSES - the UK Red Tape Challenge



HM Government

## Cutting red tape

RED TAPE CHALLENGE

**Over 3,000**

The number of regulations that **Government will either scrap or improve**

**Over £850 million**

Annual savings to business from Red Tape Challenge reforms

**Over 30,000**

Suggestions directly from **business and the public**

**£64m**

Estimated saving each year in costs to home builders by **removing unnecessary standards and bureaucracy**

**DUE 2014/15**

**12.5 million**

Number of **TV sales** notifications that retailers no longer have to send to TV Licensing annually



**36 million**

vehicles will **no longer need a paper tax disc**

**DUE 2014**



**£21m**

Annual savings to business from simplified registration system for company charges

**20+**

**Consolidation of regulations** outlining how you apply for planning permission, or if you need it

**down to 2**

**DUE 2014/15**



**100s**

Live music and community events **now exempted** from entertainment licensing between 8am and 11pm



**Doubled to 2 years**

The qualifying period for unfair dismissal, saving business **£4.7m per year**

**At least one million**

self-employed people to be removed from **H&S regulation**

**IN THE DEREGULATION BILL**



**100,000s**

Low risk businesses removed from **unnecessary H&S inspections**

**23 million**

Paper Waste Transfer Notes **no longer needed** every year after moving to an electronic system

**FROM JAN 2014**

**£66m per year**

Savings to **businesses** from changes to collective redundancy rules

**£100m**

Estimated annual savings to business after Defra trim environmental guidance by over 80%

**DUE MID 2015**

# TRANSPARENCY AND CONSULTATION

## **AUSTRALIA Business Consultation website**

“If you're an Australian business owner, the Government wants to find out what you think about policies and regulations that may affect business”

## **EU single on-line access point “Your Voice in Europe”**

Minimum consultation standards:

- Clear content of the consultation process
- Relevant parties should have opportunity to participate
- Publication
- Time Limits for Participation
- Acknowledgement and Feedback

## **US Notice and Comment portal “your voice in federal decision making”**

“Make a difference. Submit your comments and let your voice be heard.”

## **WEF Annual Meeting 2017**

“As is often quoted, sunlight is the best disinfectant. Transparency is more important than ever”

*Corruption and the Erosion of Trust - David Cruickshank Chairman, Deloitte Touche Tohmatsu Limited, Jim Smith President and CEO, Thomson Reuters*

# SIMPLE ACCESS TO INFORMATION AND G2B SERVICES



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Singapore

HOME LICENCE APPLICATION ▾ ABOUT US INFO SEARCH LOGIN

**Find licence(s) by Keyword** | **Choose licence(s) by Government Agency** | **Recommend licence(s) by Business Intent**

- 1** SELECT Licence(s)
- 2 ADD General Information
- 3 PROVIDE Application Details
- 4 UPLOAD Supporting Document(s)
- 5 REVIEW & SUBMIT Application (Payment if applicable)
- 6 ACKNOWLEDGEMENT



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## Simple access to information and services for business.

Canada

**Plan & Start**

Thinking of starting a business? Get a head start, find the information you need.

**Run**

Running a business is a big job. We have tips and tools designed to help.

**Exit**

Exiting your business can be a big decision. Find information to help you sell, transfer or close your business.



# RELIABLE DATA ON BUSINESSES

Complete, transparent, accurate data on business is an important building block of a good business environment, because:

- It gives the government the tools to produce business statistics and design policies, as well as monitor implementation;
- It gives market participants the information they need to value their risks in investing and trading or access a market;
- It is linked to other important areas such as A2F, collateral registries etc.

## Digital Divide - aggregate positive impact of ICT is unevenly distributed

In the European Union:

Three times more citizens use online services in the richest countries than in the poorest, with a significant gap between the rich and the poor within each country

*World Development Report, Digital Dividends, 2016*

# WHAT'S HOT IN BUSINESS ENVIRONMENT REFORMS?

Shifting the focus of business environment reforms from reducing compliance costs towards **more comprehensive reforms**

Recognizing the **importance of quality data on businesses** giving governments tools for policy making and investors tools to value investing in and accessing new markets

**Supporting high-growth businesses:** can governments support high-growth businesses rather than supporting businesses just based on size?

How can **businesses work on improving the business environment** without government involvement?

**Operating in a digital era:** firms can be born global by operating “online”, but a strong analog foundation, consisting of regulations that create a vibrant business climate is still essential (WDR 2016);

Applying **behavioral insights** in policy making (WDR 2015)



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**Thank You for Listening!**

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