

# Effective Business Environment Reform in Asia: Bangkok: Issues for Donors

**Complexity**

**Context-specific**

**Challenging**

*(& Colonel Mustard)*

**Questions: Who, where,  
how, what have we learnt?**

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- **Who (With..)?**
- **Where (Areas of Focus)?**
- **How (Instruments)?**
- **To Whom (national, sub-national..)**
- **+ When? (How long)?**
- **+ With What Impact?**

>> *The Business Environment Reform Mystery*



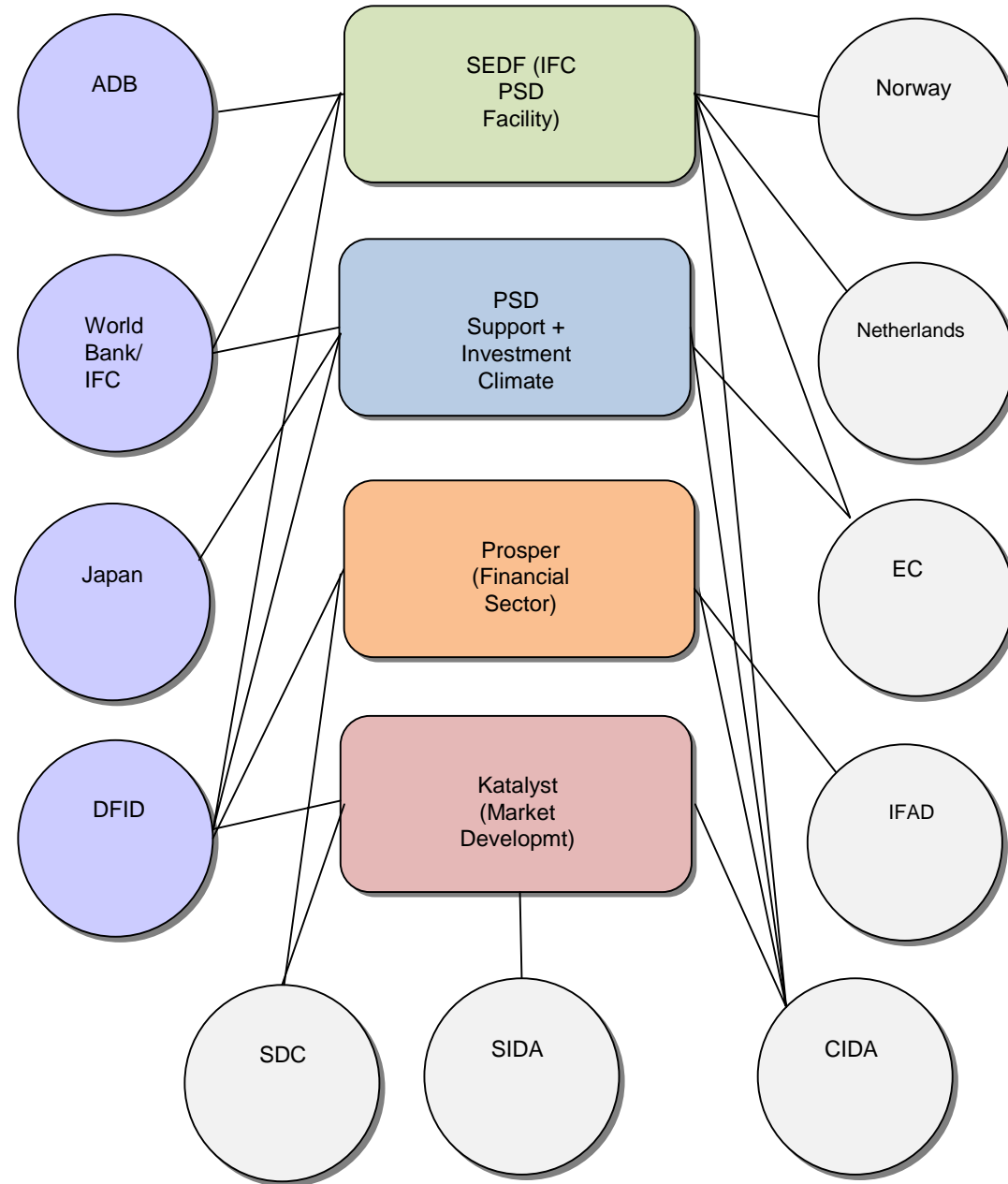
## Who? Or Who with?

In Asia specifically:

- Political leadership (*what are their incentives?*)
  - Government (*what is its capacity?*)
  - Private sector and/or civil society, *eg through business associations (how to harness them for business reform?)*
  - Donors as development partners (*in South Asia, are we more than marginal in business environment reform?*)
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- Contrast Bangladesh, India, China



# Example: Together we have more of a chance....



## Where? (Areas of Focus)

- “Reformist” ministries & agencies
- “Quick Wins”
- “High Impact”
- “Sector specific”
- *Example: Bangladesh Investment Climate Facility (BICF):  
environmental clearances cost & time reduced;  
foreign loan approval processes cost & time reduced;  
duty drawback claim time reduced;  
obtaining bonded warehouse licence time and cost reduced.*



## How (instruments)?

- **Surveys:** easy option (ICA, scorecards, Doing Business): most just describe the situation - once
- **Dialogue:** public-private (PPD): can remain a talking shop
- **Regulatory Impact Assessments:** capacity not easy to establish
- **Media:** name and shame (inspections) but hard “to manage”
- **Drivers of Change:** death by analysis
- **Politics:** seize the day (1<sup>st</sup> 18 months), but competing & vested interests



## To whom?                      And, “When”?

- National? In Bangladesh: SEDF & BICF
- Sub-national? BICF and Katalyst
- Local? Katalyst & Asia Foundation
- Limited companies, or sole traders?
- 8 year programmes, not 3 years
- Don't forget sustainability



*Solving the mystery of fixing business environment reform... the Cluedo® route to better answers?*

**Zimbabwe early  
1990's**

- Who: bilaterally with Govt & Foreign/local consultants
- Where: Most laws & regulations – Ministry of Local Govt
- How: Committees
- To whom: Nationally, over 2 years
- Impact: Zero
- Lessons: Many

**Bangladesh 2007-2015**

- Who: multidonor, with Govt agencies & private sector
- Where: identify quick wins
- How: diverse approach
- To whom: national over 8 years. And local focus by other programmes
- Impact: M&E from months 1 to 6
- Lessons: You never know...DCED guidance?

