

NEW SERIES TO REPLACE EASE OF DOING BUSINESS REPORTS

World Bank to start business climate study

First report likely in April 2024

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JUST OVER A year after discontinuing the controversial ease of doing business series, the World Bank is planning to launch a new system to gauge the business climate of various countries. The first report of the new "Business Enabling Environment" (BEE) project will be released in April 2024.

The ease of doing business series was stopped in September 2021 in the wake of a data-rigging scandal involving four countries, including China and Saudi Arabia.

The new BEE report, however, will have limited coverage of only 40-50 countries in its first edition, a Washington-based spokesperson of the World Bank told *FE*.

"The second report will add a similar number of countries, as will the third report, reaching 120-150 countries going forward," she said.

The World Bank's last Doing Business Report 2020 had ranked as many as 190 economies, based on their performance in about a dozen indicators.

"The gradual increase in country coverage (in the new report) will be accompanied by refinements in the methodology, consistent with improvements in a new measurement project," said the spokesperson.

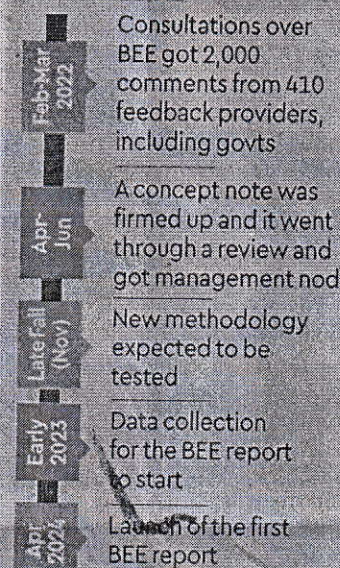
The multilateral body undertook a "robust stakeholder consultation process" on a pre-concept

THE COVERAGE

■ New Business Enabling Environment report will cover 40-50 countries in its first edition

■ Number of countries to be raised to 120-150 by the third edition

THE TIMELINE



note for the BEE in February-March 2022. This is ostensibly due to the controversy around the earlier system that somewhat dented the credibility of the Bank's ranking of countries on ease of doing business. It received over 2,000 comments from 410 feedback providers, including donor and client governments, civil society, private sector entities and the academic community, the spokesperson said.

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“We developed a concept note for the new report, based on this feedback and previous evaluations of the DB (doing business) report, including internal audits, the External Panel Review and the IEG (independent evaluation group) report,” she added.

Subsequently, this concept note went through the Bank-wide review and management clearance between April and June this year. “It was discussed with the World Bank Governing Board of Executive Directors. Meanwhile, the team is incorporating feedback and refining the measurement methodology to prepare for testing it in late Fall (through November) 2022. We plan to begin data collection (for the new BEE report) starting in early 2023,” the spokesperson said. The multilateral body was forced to scrap the doing business series last year, after internal audits and a separate independent probe by law firm WilmerHale revealed senior leaders of the Bank, including Kristalina Georgieva, had put pressure on staff to tweak data to favour China. Georgieva, who strongly refuted the findings, now heads the International Monetary Fund. Internal audits had revealed data irregularities in reports on China, Saudi Arabia, the United Arab Emirates and Azerbaijan in the 2018 and 2020 editions. Subsequently, the Bank decided to come out with a new system that would be far more robust and