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Examining Business Reform Committees

Findings from a New Global Dataset

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Abstract

Reform committees (also known as reform councils) are institutional mechanisms or structures tasked with holding policy discussions pertaining to (and making specific recommendations on) regulatory issues, to monitor improvement efforts and ensure regulatory coherence between agencies while enhancing regulatory quality. This paper presents novel granular data on business reform committees for 160 economies collected over 2020–22. The paper presents 35 questions and 238 variables grouped into three pillars: (i) mandate and scope, (ii) organizational structure and operational framework, and (iii) stakeholder engagement and communication. The dataset is unique in that it covers a large number of developing economies and presents detailed insights into the goals, structures, and components of reform committees while contributing to debates on strategies for promoting better regulations. Reform committees are heterogeneous structures, prevalent in lower-middle-income economies, followed by upper-middle-income economies. Most economies with a functioning reform committee state that their mandate is to improve competitiveness globally by improving the business regulatory/legislative framework, going beyond improvements of the business environment for domestic companies. In more than 50 percent of the economies the priorities are set at the ministry level, most commonly the Ministry of Finance or equivalent, followed by the Prime Minister's office. However, reporting lines can be very different—across a quarter of the economies, the chair of the reform committee reports to the President or the head of state, while in close to one-fifth the chair reports to the Prime Minister. In most economies, public sector representatives are members of both the steering board and the working groups. These findings provide new insights into the scope, mandate, and functioning of business reform committees at different income levels and across different regions; they also provide a robust foundation on which subsequent research efforts can build.

This paper is a product of the Global Indicators Group, Development Economics. It is part of a larger effort by the World Bank to provide open access to its research and make a contribution to development policy discussions around the world. Policy Research Working Papers are also posted on the Web at http://www.worldbank.org/prwp. The authors may be contacted at dgeorgieva@worldbank.org, veknath@worldbank.org, and mwoolcock@worldbank.org.

Examining Business Reform Committees: Findings from a New Global Dataset

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1. Introduction

Every government implements business regulatory reforms aimed at improving the business environment and investment climate for the purposes of promoting higher economic growth, creating more jobs, and enhancing development outcomes. Some business regulatory reforms are more successful than others; some reforms achieve their desired outcomes, while others do not. There could be a multitude of domestic and external reasons for this, including existing legal and regulatory structures, capacity of the government, historical legacy, country location and geography, macroeconomic shocks, and others. It is well documented in the literature that designing good policies is one thing but effectively implementing them is another (Andrews et al 2017, Honig 2018). In the process of implementation, governments' structures and administrative capabilities play a key role (Andrews et al 2017). Similarly, effective and credible institutions are key determinants of economic productivity (Kim et al 2016); they have a decisive impact on economic development (Acemoglu et al 2005) and have been considered indispensable for (and explicit objects of) reform (OECD 2002, 2007). Not only do better institutions tend to create regulatory environments genuinely more conducive to business conditions rather than privilege a few interest groups (Claessens and Klapper 2005), they help mitigate – and in some circumstances even eliminate – the adverse impact of unwarranted regulation on economic growth (Loayza et al 2005). An overarching conclusion from existing studies is that effective institutions play a crucial role in promoting business regulatory reforms, which consequently matter for economic growth and poverty reduction.

Even so, questions remain. What aspects or characteristics of countries' existing institutional arrangements and initiatives make them effective in enabling reforms in business regulations? Why do some countries manage to introduce better quality business regulatory regulations and successfully implement the necessary reforms, while others do not? Is it because certain government structures, such as business reform committees (Box 1) – the focus on this paper – help in this regard or do other factors matter more? Do business regulatory committees matter for successful implementation of business regulatory reforms, and if yes, which of the components or practices play a key role for countries to learn from each other? Answering these questions adds to our knowledge of institutional capacities and processes for the development of "fit for purpose" regulations.

Drawing on new global data from the World Bank *Business Reform Committees* project, this paper aims to contribute to the literature on government structures and their operating models, specifically in their effort to implement coherent and high-quality business regulatory reforms. The project developed and tested a methodology to collect data on the availability, mandate, and characteristics of business reform committees, with the aim of learning more about how business regulatory reforms happen in practice and to provide data and knowledge to help governments strengthen their institutions for better business regulations, in ways consistent with the UN SDG 16's call for "effective, accountable, and inclusive institutions at all levels". Drawing on this new global dataset that covers 160 economies, we present an analysis of the characteristics of reform committees under which business reform policies are undertaken across different regions and income groups.

The remainder of the paper is organized as follows. Section 2 discusses the project's contribution to the literature and evidence. Section 3 documents the process of designing the methodology, data collection, and data validation of the *Reform Committee* project. Section 4 presents the results from the data collected for 160 economies. Section 5 presents four country case studies. Section 6 discusses implications for future research. Section 7 concludes.

2. Literature Review and Existing Data Source

2.1 Business regulatory reforms and economic outcomes

Business regulatory reforms can create a conducive business environment and facilitate private sector development, thereby contributing to economic growth and poverty reduction. Existing literature extensively covers the importance of efficient business regulations for firm formalization, access to credit, job creation, and foreign direct investment (FDI), among other development outcomes.

Implementation of business regulatory reforms can facilitate a more competitive environment and result in an increased entry of small firms (Alfaro and Chari 2014). Many cross-country studies provide evidence that support these findings. For example, a reform that simplified business entry regulation in Mexico increased the number of registered businesses by 5%. (Bruhn 2011); easing of start-up regulation in Vietnam increased the value-added of firms by 20% on average (Demenet et al. 2016). As companies grow and face more needs, such as access to credit, the availability and quality of credit information can be a key determinant. Information sharing reduces contract delinquencies and defaults (Doblas-Madrid and Minetti 2013). Similarly, Dierkes and others (2013) find that business credit information sharing improves the quality of default predictions for German firms, especially for older firms and those with limited liability.

A conducive business environment can also foster job creation. Evidence from Portugal showcases how a reform reducing entry costs for businesses resulted in a 22% increase in job formation among new firms (Branstetter et al. 2014). Restrictive labor regulation in India is associated with a 35% increase in firms' unit labor costs (Amirapu and Gechter 2019). Similarly, improving regulatory quality and the rule of law can reinforce firm-level job creation and reduce job destruction across firms (Okumu et al. 2022). Other studies, however, suggest that limited labor market rigidity in some high-income economies is positively correlated with firm innovation, primarily because job stability boosts employee innovation (Acharya, et al. 2013). There is a considerable body of work that argues that social protection legislation in the form of unemployment benefits reduces formal employment more in developing economies, as labor informality is typically high in those economies and the high costs of these benefits incentivize both firms and workers to engage informally (Ulku and Georgieva 2022).

Business regulatory reforms can also improve a country's ability to attract foreign direct investment (FDI) and positively impact total domestic investments. Better business regulations improve a country's ability to attract FDI (Corcoran and Gillanders 2015). For example, using data for 138 economies over the period 2000–2010, Munemo (2014) finds that FDI crowds out domestic investment in economies with high entry regulation costs.

Through these channels of firm formalization – e.g., access to credit needed for firm growth, job creation, and foreign direct investment, among others – business regulations are considered an important determinant of economic growth. Evidence from a cross-country regression analysis using panel data reveals a persistent and robust negative effect of administrative and procedural costs on the path of economic growth (Kovač and Spruk, 2016). Policies that facilitate a good business environment, however, impact positively both long- and short-run growth; even countries with low levels of human capital can achieve growth over time by adopting better policies toward business (Gillanders and Whelan 2014). Business friendly regulations are also correlated with a reduction in the poverty headcount, including in fragile and conflict-affected states (Djankov et al. 2018).

2.2. The role of institutions

Institutions are considered to have a large and fundamental impact on economic development. The results of a study estimating the respective contributions of institutions, geography, and trade in determining income levels around the world indicate that the quality of institutions essentially "trumps" everything else (Rodrik et al. 2004). Based on an extensive literature review, Kim, Loayza, and Meza-Cuadra (2016) find that effective institutions are one of the key determinants of economic productivity. Differences in economic institutions, rather than geography or culture, cause differences in per capita incomes (Acemoglu et al. 2005). Solving the problem of development will entail reforming economic institutions, however doing so depends heavily on the nature of political institutions and the distribution of political power in society (Acemoglu and Robinson 2008). How institutions operate and implement reforms can have a strong impact on the outcome of the reform and its impact on society and economic growth.

Policy making and policy implementation do not, however, occur in a vacuum. *The World Development Report 2017: Governance and the Law* discusses in detail the importance of improving governance to meet today's development challenges. By going beyond explaining the types of policies implemented, the report delves into *why* policies do not always translate into development outcomes in the expected ways. Often policies and technical solutions fail to achieve intended outcomes. The report identifies *commitment, coordination, and cooperation* as the three core functions of institutions that are needed to ensure that rules and resources yield the desired outcome.

In the aspect of business regulatory reform, successful implementation depends on a range of factors that can undermine successful implementation. Specifically, lacking coordination, overlapping responsibilities and blurred accountabilities between the government agencies involved in implementation of reform agenda, coupled with absence of consultation with the private sector, may significantly hinder the implementation of legislative reforms in practice (Beschel et al. 2018). A recent World Bank report based on country case studies from different regions, income groups, and political systems finds that strong institutional mechanisms can provide a basis for continuous improvement of business regulations and thus allow countries to sustain reform implementation and shape public officials' incentives (Arlet et al. 2020).

Similarly, according to the OECD, effective and credible mechanisms inside the government for managing regulation are indispensable for reform. Successful regulatory practices in the OECD countries consistently include effective mechanisms for managing regulations and coordinating reform efforts, along with monitoring and reporting on outcomes (OECD 2002). Similarly, an OECD study documenting implementation challenges for regulatory reform recognized appropriate institutional arrangements as essential components of a comprehensive strategy for regulatory reform (OECD 2007). Deciding on which form is most appropriate generally depends on a variety of factors related to the legal and political culture of governance in each country, and its resources.

The strength, credibility, and effectiveness of institutions also lies in their ability to engage stakeholders. Consultative policy making and implementation has several benefits. It legitimizes a government's reform agenda (OECD 2019), gives stakeholders ownership of the reform process, and ensures that reforms are embedded in practical realities. More importantly, firms and private sector representatives can provide critical insights into existing regulatory issues, thereby informing evidence-based decisions and policies (Davel 2016). Countries with constructive and actively used public-private dialogue platforms tend to have better business climates, a larger SME sector, and greater respect for the rule of law (World Bank 2016). Private sector consultations can further legitimize and boost trust in a government's reform agenda as well as the understanding of new laws (OECD 2019). A recent World Bank study explores critical considerations for effectively engaging the private sector, along with channels and mechanisms that have been successfully leveraged; it draws from cross-country experiences and sheds light on the importance of effectively engaging the private sector (World Bank 2020).

2.3. Other data sources

The Worldwide Governance Indicators (WGI) provide aggregate and individual governance indicators for 200 countries and territories over the period 1996-2021, for six dimensions of governance: voice and accountability, political stability and absence of violence / terrorism, government effectiveness, regulatory quality, rule of law, control of corruption.

The OECD Indicators of Regulatory Policy and Governance (iREG), based on the 2021 OECD Regulatory Indicators Survey results, present up-to-date evidence of 39 OECD member countries' regulatory policy and governance practices.[2] The iREG indicators broadly measure three key principles on stakeholder engagement, regulatory impact analysis, and ex-post evaluations. In particular, the composite indicator on stakeholder engagement for developing regulations measures the adoption of good regulatory practices to engage with affected parties when developing new regulations, including different methods and openness of consultations, as well as transparency and feedback mechanisms. Despite advances in these and other aggregate measures of 'governance', however, there is no global database providing objective, quantitative, and comparable measures on existing administrative and institutional arrangements that enable business regulatory reforms.

3. Building the Methodology

The methodology for *Business Reform Committees* was developed in several steps. First, a conceptual framework was developed, drawing on as much feedback as possible from experts across the World Bank and from other organizations that have worked on similar initiatives (such as the OECD). Second, the team designed the questionnaire and disseminated it to more than 200 government officials in the two rounds of data collection of the project. Namely, in the first round of the project, the team reached out to 127 countries and territories; in the second, to 188. Outreach included email correspondence and phone calls. The final dataset is the result of the combined response rates in the two rounds of data collection across 160 economies. The team validated the responses using available resources, including official government laws, regulations, and decrees. The dataset also benefited from peer-review from expert reviewers from the World Bank Group.

3.1. Development of the conceptual framework

Following the review of the literature and assessment of available data sources, the next step in the process was to develop the framework of the study, for which the team engaged extensively with experts from within and outside the World Bank Group. The World Development Report 2017: Governance and the Law (World Bank 2017) was also extensively referenced. The team decided on a definition of a *business reform committee* (see Box 1) and identified as key the following three elements: 1) mandate and scope of the business reform committee; 2) organizational structure and operational framework; and 3) stakeholder engagement and communication.

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[2] For more information on OECD Indicators of Regulatory Policy and Governance (iREG): https://www.oecd.org/gov/regulatory-policy/indicators-regulatory-policy-and-governance.htm

BOX 1: WHAT IS A BUSINESS REFORM COMMITTEE?

A wide range of institutional bodies across and within countries are tasked with developing, reviewing, and enabling regulations. To narrow this vast space of institutional arrangements that enable reforms, we created, for the purposes of this paper, an analytical category called *business reform committee*. We define a business reform committee as an active public or private or joint public-private entity that is responsible for implementing reforms in the area of business regulations and/or is tasked with improving the business environment for domestic companies and the country's competitiveness globally. Three main components (type, mandate, and structure) were considered in the design of the *business reform committee.* At least one criterion from each component needed to be met for a country to fit into a business reform committee category (Table 1). The simplification of administrative public processes was not considered a sufficient criterion for a country to have a business reform committee.

Table 1: *Business reform committee – building components*

Type	**Mandate**	**Structure**
Public agency established by a Government Decree / Resolution	Improve the business climate for domestic companies	High-level oversight: Ministry / Agency / Secretariat with a defined structure.
Private entity with established governing rules / bylaws	Contribute to business reform proposals	Coordinating unit / Steering board: Public (Ministry / Agency / Secretariat) / Private
Public-private entity established by a Government Decree / Resolution and/or governing rules / bylaws	Work with the government to implement reforms and / or monitor implementation efforts	Working group: Public / Private

3.2. Questionnaire development

The questionnaire was developed with inputs from academics, regulatory governance experts from within and outside the World Bank Group, and government practitioners. Once the three main areas of study – 1) *Mandate and Scope; 2) Organization Structure, Operational Structure and Operational Framework;* and *3) Stakeholder Engagement and Communication* – were determined, the team conducted extensive desk research and consultations to design each section of the questionnaire. Particular care was taken to create questions that would apply to the wide range of countries in the sample and that would allow for cross-economy comparison of the data. Care was also taken to ensure that the questions would be easily understood by the respondents. Foreign language translation into French, Spanish, and Russian was accommodated as requested by respondents. For better clarity and comparability of responses, the questionnaire included definitions of key terms. For example, a functioning reform committee/council is an active public/private/public-private entity that is responsible for implementing reforms in business regulations and/or is tasked with improving the business environment for domestic companies and the country's competitiveness globally. Following the first round of data collection, the questionnaire underwent additional review and revision to improve the quality of questions and improve the readability of interpretation across respondents for the second round of data collection of the project.

3.3. Data collection

The data collection was an ambitious endeavor with several challenges encountered during implementation. First, the project's established timeline was initially 2020-2021, however, as a result of COVID and following the discontinuation of the World Bank's *Doing Business Report*,[3] the timeline was revised to 2020-2022. Both of these events affected the project which, among other challenges, also experienced contributor attrition. Collecting data from an additional 60 economies added in the second year also proved to be a lot more challenging. Data collection in the second year focused mostly on economies where data collection had proved to be a challenge in the first year.

Data collection was carried out over two rounds – the first from February to July 2020, and the second from February to July 2022. The majority of contributors were public sector respondents who were carefully selected by the team based on selection criterion that emphasized their experience and ability to provide the relevant information. Public sector experts worked for government ministries or agencies involved in reform committees or members of the reform committees themselves. In the cases where a reform committee had members from the private sector, an effort was made to collect data from them as well, although that was in less than 10 percent of cases; the main source was the public sector.

Most of these respondents were very carefully selected from the pool of government officials who contribute to reports and databases of the World Bank's Global Indicators Group. Through desk research, a few others were selected on the basis of their membership in business reform committees or ministries where these committees were housed. At every instance, the team ensured that the selected respondent had first-hand knowledge of the subject. These respondents were contacted by phone and e-mail, were invited to collaborate in the study, were introduced to the methodology, and were informed that their collaboration would be on a *pro bono* basis.

3.4. Sampling strategy

The data collection was carried out across two rounds by administering questionnaires to select respondents. The final dataset is the result of the combined responses across the two years of data collection across 160 economies, providing adequate representativeness across regions and income groups (Table 2).[4] In cases where it was not possible to verify the information through desk research (for example, there was no publicly available regulation or information was not available, nor possible to obtain) or through contributor follow up, the data was marked missing (".."). For the economies with no reform committee (30) the additional corresponding variables in the dataset were marked as "Not Applicable (N/A)". We have no reasons to believe that our conclusions and findings would be fundamentally altered if the remaining economies were included.

Table 2: Data Collection

	Sample	**Sample**	**Reform Committee Yes**	**Reform Committee No**	**Data not available**
Income grouping	High income	52	26	16	10
	Upper-middle income	45	31	8	6

[3] *Doing Business* discontinuation: https://www.worldbank.org/en/news/statement/2021/09/16/world-bank-group-to-discontinue-doing-business-report

[4] The dataset is available on the Business Reform Committees website: https://www.worldbank.org/en/research/brief/business-reform-committees

	Lower-middle income	41	35	4	2
	Low income	22	15	2	5
Regions	South Asia	8	7	1	0
	Europe & Central Asia	21	14	6	1
	Middle East & North Africa	19	11	4	4
	Sub-Saharan Africa	39	32	4	3
	Latin America & Caribbean	26	15	4	7
	High income: OECD	29	15	11	3
	East Asia & Pacific	18	13	0	5

Note: The sample consists of 160 economies; no data available for 23 economies.

3.5. Data validation

The information provided by contributors was cross-checked with information collected by the team through desk research on the applicable laws, regulations, and information available on institutional websites. The collected data were also cross-referenced with other publicly available databases from nongovernmental, civil society, and international organizations. The team followed up with contributors by phone to improve response rates, to fill in gaps in the data, or to clarify points that appeared to have been misunderstood.

Coding rules were outlined by the team based on good regulatory practices. The answers provided by multiple contributors on the same question were coded into a single value for each country. This process required the review of answers from all contributors, checks for inconsistencies among contributors, and following up as necessary through phone conversations, email, or desk research. In the few cases of contrasting responses, the team relied on the official publicly available information from laws and regulations and conducted follow-up discussions to clarify the intent of the questions and to rationalize or harmonize any inconsistencies.

The end result is a dataset that is unique in several ways. It is the first of its kind to collect these types of data, focusing specifically on the institutional arrangements and structures that facilitate regulatory reform in the area of private sector development and investment climate.

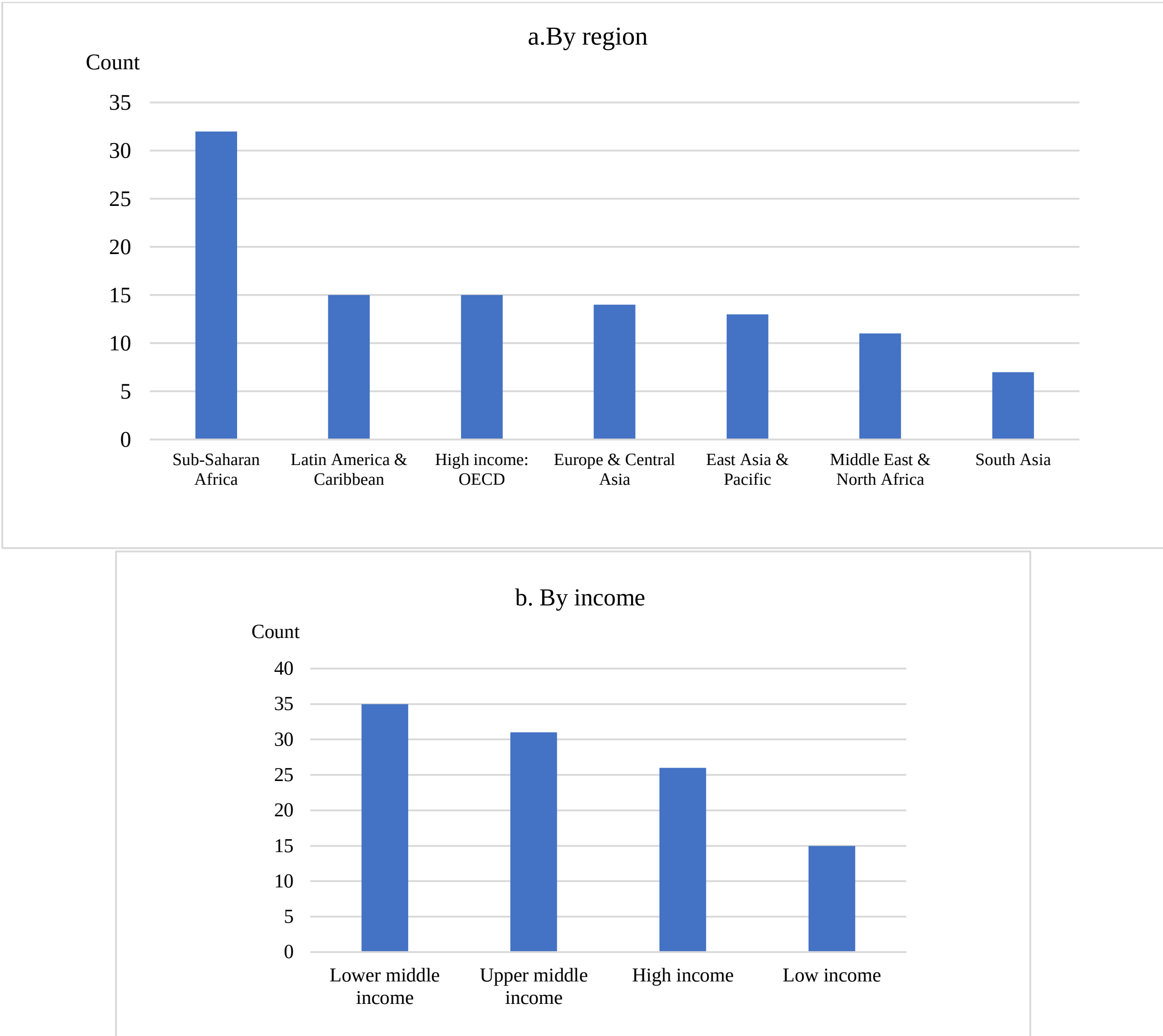
4. Description of Data and Stylized Facts

In this section we present the main data trends with the focus on the main areas: 1) Availability, mandate, and scope; 2) Organizational structure and operational framework; and 3) Stakeholder engagement and communication.

4.1. Availability, mandate, and scope

Lower middle incomes, followed by upper-middle income economies, have the highest number of reform committees. Regionally, the most reform committees are in Sub-Saharan Africa, followed by Latin America and the Caribbean (Figure 1). There are several explanations for why this could be the case. One is that in a developing country setting, governments may need to establish more formal government structures to channel efforts and ensure reforms are implemented, whereas in a developed country setting, centralized or decentralized, there are likely to be structures already in place to implement reforms, without the need for a separate body. Another explanation could be that because private sector development is less of a priority in high-income countries, or because the private sector tends to be better organized around trade groups and associations, giving them lobbying power vis-à-vis government through several channels outside the direct control of government.[10]

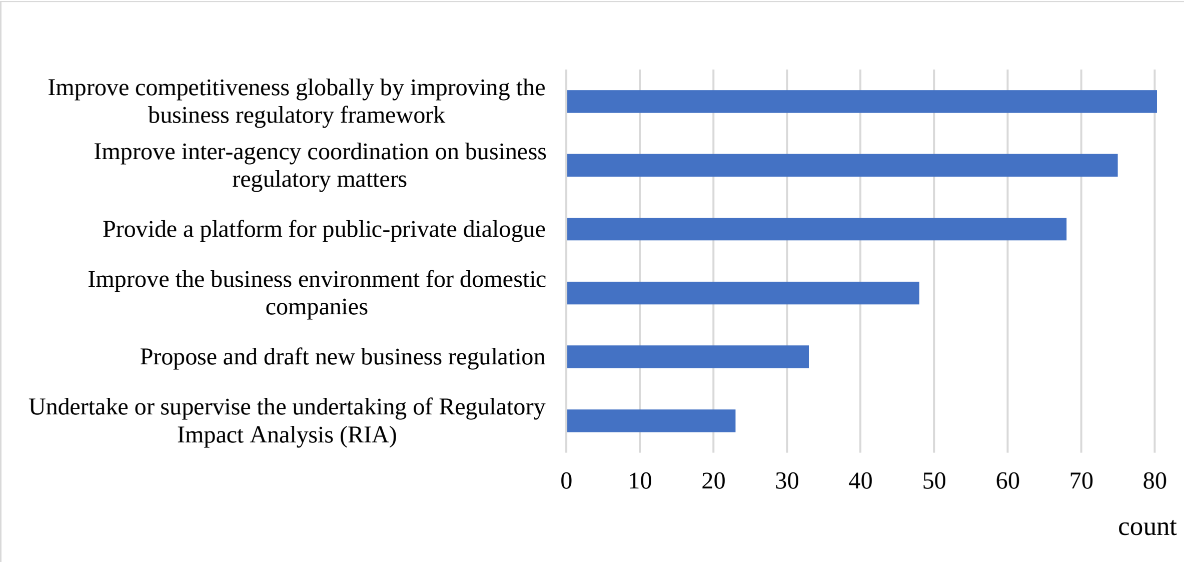
Figure 1*: Availability of business reform committees, by region and income grouping*



Source: Reform Committee data
Note: Based on the 160 economies where data was collected. Figure 1a and 1b: Count of economies with a functioning reform committee, per region and income grouping. 107 economies have a functioning reform committee. 30 economies do not have a reform committee. Data for 27 economies was not provided from experts or identified by desk research.

For example, in Albania the National Trade Facilitation Committee was established in 2016 as a separate advisory and coordinating group to explicitly improve the business climate (specifically trade policy processes) and facilitate trade under the purview of the Ministry of Finance and Economy. In Brazil, the Special Secretariat for Modernization of the State, under the Federal Government, has the legal mandate to modernize the domestic business environment, including identifying bottlenecks through the creation and coordination of working groups, called *GTA (Grupos Temáticos de Ação or Action Thematic Groups)*.

Figure 2: *Mandate of business reform committees*



Source: Reform Committee data
Note: Most common mandates of business reform committees for economies. Figure based on 107 economies with a functioning business reform committee.

The majority of economies with a functioning reform committee state that their mandate is to improve competitiveness globally by improving the business regulatory/legislative framework, going beyond the business environment for domestic companies (Figure 2). The second most common reason is to improve the inter-agency coordination on business regulatory/legislative matters, followed by an opportunity to provide a platform for public-private dialogue. The least number of reform committees indicate that their focus is undertaking or supervising Regulatory Impact Analysis (RIA) to ensure that the newly proposed regulatory reforms meet quality standards. One possible explanation of this finding could be that they have separate bodies that work on this matter; another could be that it is simply not their priority.

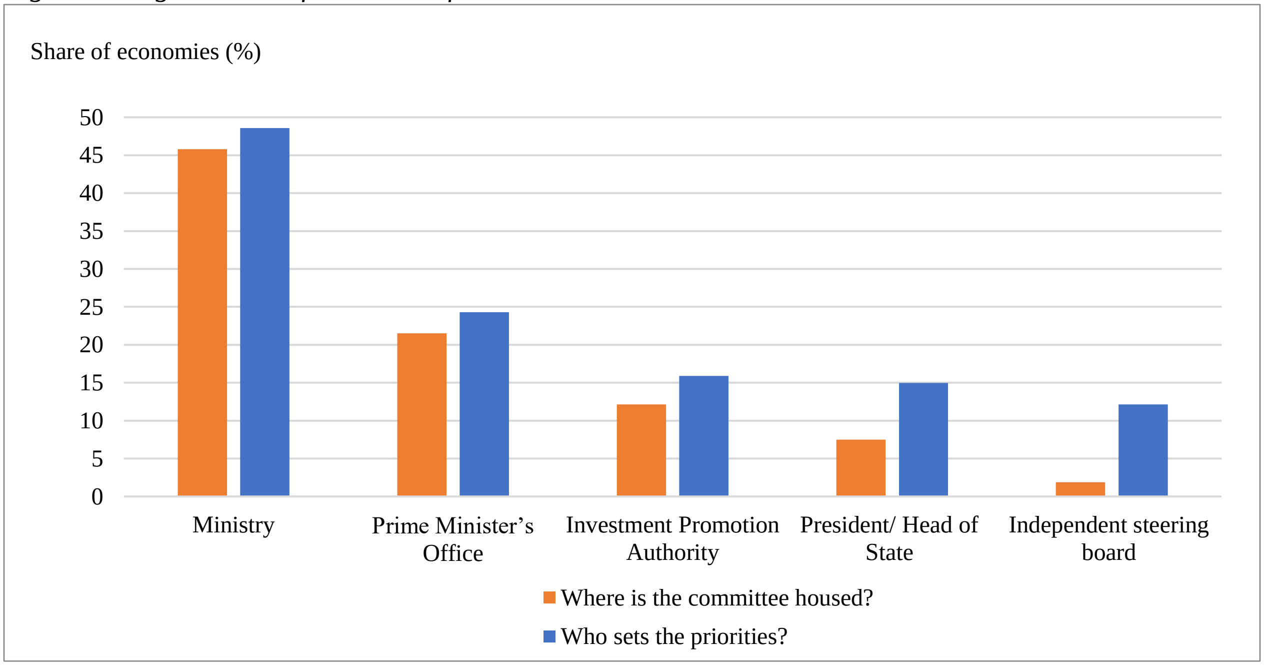
4.2. Organizational structure and operational framework

One of the main elements of reform committees is its leadership, who sets priorities and decides where the committee is housed vis-à-vis the country's centers of power (Figure 3). In close to 50 percent of economies with a functioning reform committee, the priorities are set at the level of a Ministry, followed by the Prime Minister's office. Europe and Central Asia is the region where most reform committees have their priorities set by the highest government body (i.e., the Prime Minister / President). This is the case for Azerbaijan, Belarus, Kyrgyz Republic, and others. Second to Europe and Central Asia is Sub-Saharan Africa, followed by Latin America and the Caribbean. For example, the President of Togo, through an executive order, established *Cellule Climat des Affaires (CCA)* (Box 2).

Box 2: Togo's Business Climate Unit as an example of a business reform committee placed under the Head of State

The Republic of Togo established the Business Climate Unit (La Cellule Climat des Affaires, or CCA) following a presidential decree on September 29, 2017. This committee, placed under the direct supervision of the Head of State, aims at overseeing the implementation of reforms improving the business climate in Togo, and particularly the reforms expected to improve the economy's ranking on any reports from domestic or global institutions. The Business Climate Unit has administrative and financial autonomy and reports to the President on a regular basis, who plays a very active role with the committee (Journal Officiel de la Republique Togolaise, 2017). The President not only houses the committee but also sets the priorities, appoints the head/chair of the committee, and finances the unit (even doing so during the COVID-19 pandemic). The Business Climate Unit has maintained its reform agenda through increased communication between the bodies involved, which uses the Millennium Challenge Corporation's indicators along with the CPIA indicators (Country Policy and Institutional Assessment) to track progress (Reform Committee Questionnaire).

Figure 3: Organization of business reform committees

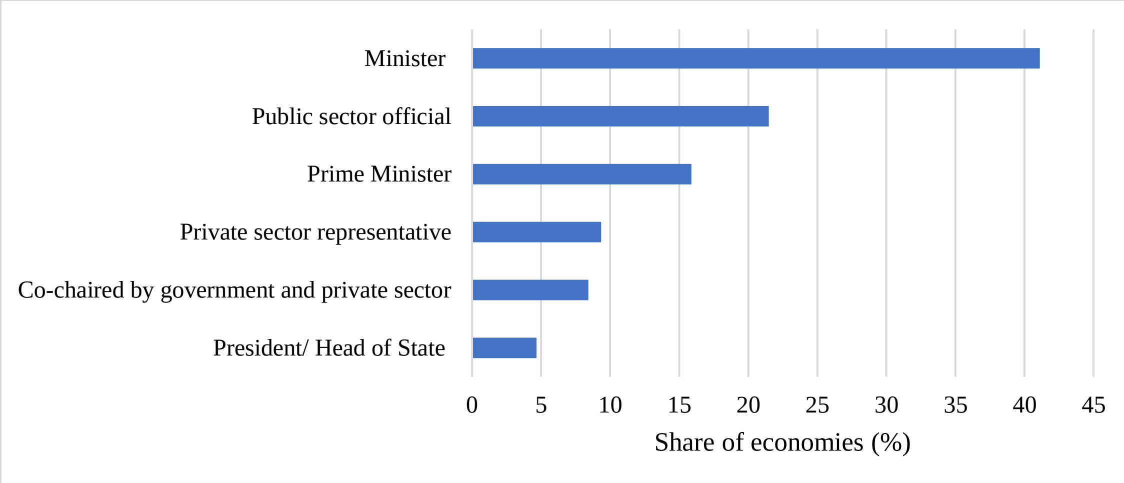


Source: Reform Committee data
Note: Figure based on 107 economies with a functioning business reform committee. An economy may have more than one institution or leader who sets the priorities.

Across Latin America & the Caribbean, Reform Committees in Brazil, Colombia, El Salvador and Panama are housed within their respective office of the President, who also sets its priorities. The general coordination and technical secretariat of the National Competitiveness and Innovation Commission in Colombia is the responsibility of the Administrative Department of the Presidency of the Republic.

While it helps to have the highest-level representation from the government in reform committees to achieve credibility, including the private sector in management vests a shared ownership in the decision-making process. As these reform committees have diverse organizational structures and reporting lines, the chair of the Committee differs across economies as well. In over 40 percent of economies globally – such as Bangladesh, Brazil, the Philippines – the committee is chaired by a minister, while in close to 17 percent of the economies, the Prime Minister chairs the committee (Figure 4). This is the case for Jordan, Morocco, and Nepal, among others; in other instances, a public sector official chairs the committee, including in Israel and India; in yet other economies, the Vice President chairs the Committee. On the other hand, some committees include the private sector in their management, with leadership being co-chaired by a member of the government and a member of the private sector. For example, the Malaysian Special Task Force to facilitate business (PEMUDAH) is co-chaired by the Chief Secretary to the government and the Vice-President of the Federation of Malaysian Manufacturers.

Figure 4: Who is the head/chair of the committee/council?



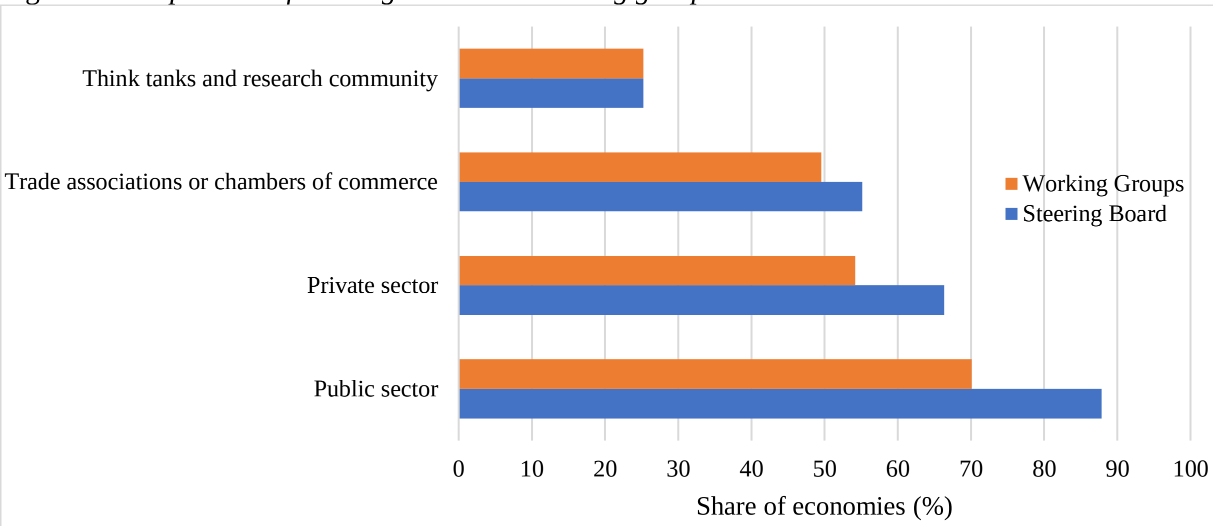
Source: Reform Committee data
Note: Figure based on 107 economies with a functioning business reform committee.

Notably, in terms of their appointment, in close to 40 percent of cases the chairs of the committee are nominated by the Prime Minister or the President. In other exceptional cases, the chair is nominated by members of Parliament, as is the case in South Sudan and the Islamic Republic of Iran, or elected by members of the reform committee themselves. In terms of reporting lines, the chair of the reform committee reports to the President or the head of state in close to 40 percent of the committees, while in close to 30 percent of the committees the chair reports to the Prime Minister. In 20 economies the reporting line is to the minister in charge of business regulatory reforms. It is only in close to 20 percent of the committees that the reporting lines extend to the minister in charge of the business regulatory reforms (Figure 4).

Steering boards are decision making bodies, usually made up of high-level advisors who set the agenda and monitor and offer advice on broader objectives. A working group, on the other hand, has a more precise objective and consists of members who oversee the work and ensure its success. The membership of both steering boards and working groups may consist of different stakeholders, including representatives from the public sector, the private sector, think tanks, the research community, trade associations, and chambers of commerce.

As expected, the public sector is represented in close to 90 percent of all steering boards and in close to 70 percent of all working groups. Within the public sector, representatives from various ministries are the most prominent members involved in the steering boards and working groups. On the other hand, representatives from the private sector and trade associations are members of the steering boards in close to two-thirds of cases. In most of these cases, representatives of trade associations are included in the steering board membership. Similarly, in over half of economies, representatives from the private sector and trade associations are engaged in working groups. (Figure 5).

Figure 5: *Composition of steering board and working groups*

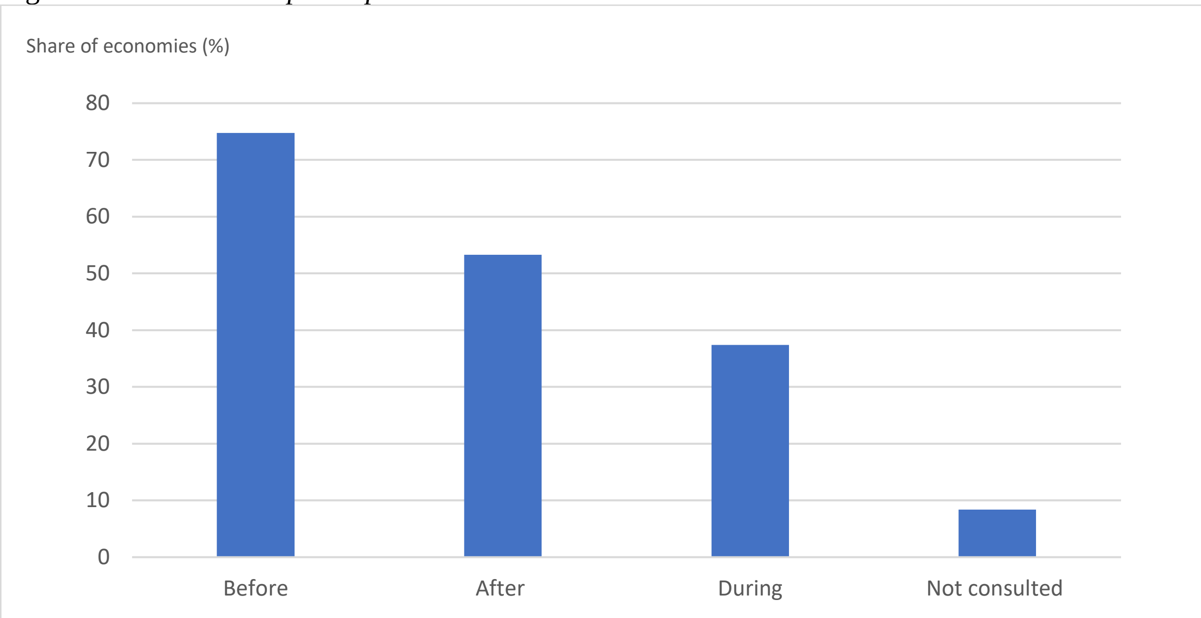


Source: Reform Committee data
Note: Figure based on 107 economies with a functioning business reform committee.

Among other stakeholders, think tanks and the research community are also engaged in the work of the steering boards and working groups, but in only a quarter of all reform committees globally. For example, engagement of business actors in the Malawi Public Private Dialogue Forum is through participation of chairpersons of business associations and managing directors of major corporations from the private sector. Business associations and professional societies that attend the Forum include the Society of Accountants, Manufacturers Association, Employers Association, Economics Association of Malawi, Indigenous Business Association, Road Transport Operators Associations, the National Association of Smallholder Farmers, Farmers Union, Tobacco Association, Tobacco Exporters Association, as well as Cotton Development Association (among others).

While the private sector is represented at the level of the steering board or working group of the reform committee in most economies, its role and level of engagement can be very different. For example, while the institutional structure of PEMUDAH in Malaysia allows the private sector to play an extremely proactive role, including equal decision-making power, the State Regulatory Service of Ukraine has no established working groups and private sector participation is extremely limited.

Figure 6: *Private sector participation in consultations*



Source: Reform Committee data
Note: Figure based on 107 economies with a functioning business reform committee.

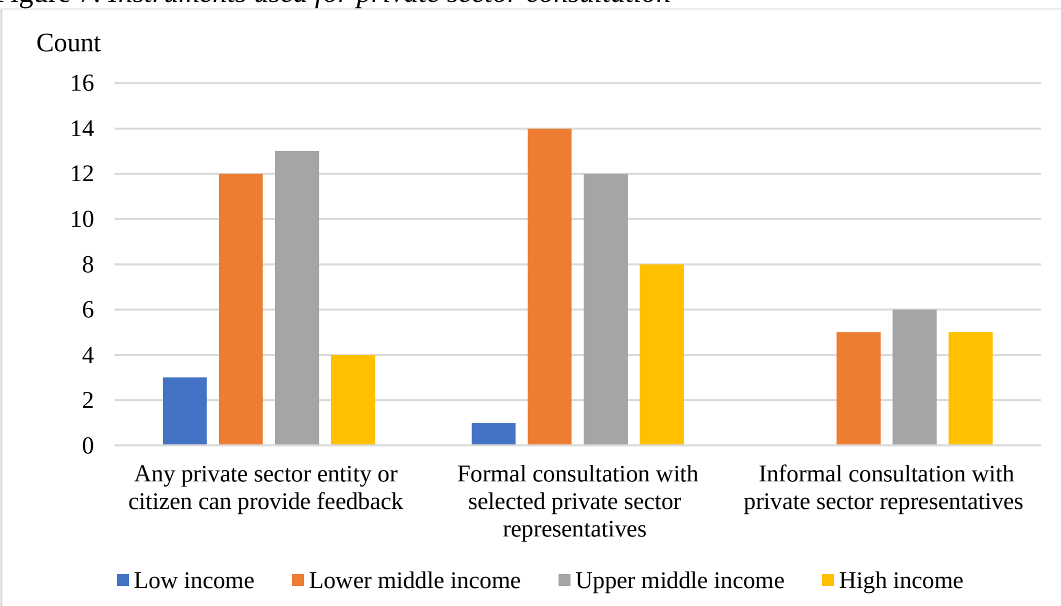
Private sector engagement in the process of policy formulation can broadly be simplified into two stages: pre- and post-legislation enactment. Most economies engage the private sector in the legislative process, but not throughout the entire cycle of policy formulation, implementation, and evaluation. In fact, economies across all income groups tend to consult before the formulation of the legislation, rather than after its enactment. In close to three-fourths of all economies with reform committees, the private sector is involved before the formulation of the business regulatory and legislative proposals, through in-person or online discussions or surveys. Similarly, in approximately 40 percent of economies with reform committees the private sector is less frequently engaged during reform implementation and provides feedback on practical challenges in the implementation stage (Figure 6). Importantly, in most of these cases the consultations are usually focused on implementation issues rather than impact evaluation. An exception is Slovenia, which in its ex-post evaluation efforts focusses on reducing administrative burdens for businesses.

For example, in Colombia the private sector is involved in the formulation of new legislation and in presenting the main challenges of the sectors. In Hong Kong SAR, China, the Business Facilitation Advisory Committee (BFAC) and its three Task Forces provide a platform for the trade actors and the government to communicate and exchange views on new regulatory proposals at all levels and take forward regulatory reviews or other initiatives to facilitate business compliances. Through the BFAC and Task Force meetings, the government consults the business sector on new regulatory proposals and discusses the implementation issues of new or proposed regulations. In tandem, relevant government departments follow up on trade groups' concerns and work out improvement measures. They also report on major business facilitation initiatives devised by, and new regulatory proposals implemented at, the BFAC and Task Force meetings.

Feedback from the private sector can be solicited through formal or informal consultations. For formal consultations, regulators can choose either to consult selected private sector representatives or allow any private entity or citizen to provide feedback. According to the data, formal consultations through selective outreach to the private sector is the most common practice during the early-stage stakeholder consultation process. Notably, in close to one-third of economies, selected private sector representatives are invited formally for an in-person or virtual discussion with a pre-set agenda (Figure 7). For example, in Sri Lanka the DBI steering committee opens targeted formal consultations, where selected private sector representatives are invited formally for a discussion.

While allowing for private sector feedback to be solicited, targeted solicitation can vest discretion with the regulator in deciding who will be included in the consultation. Consequently, it is possible that less organized private sector groups are not well represented. For example, in Bulgaria, public servants choose, on a case-by-case basis, who to include in these consultations. Similarly, in over one-third of economies, including Vietnam and St Lucia, business regulatory/legislative proposals are formally circulated for public comment and any private sector entity or citizen can provide feedback without an invitation. Less frequent, informal consultations without a set agenda to solicit feedback, however, can be found across all regions and in lower-middle-income, upper-middle-income and high-income countries. For example, no low-income economy has introduced an informal consultation mechanism, and it is two to three times less common in lower and upper middle-income economies, as compared to the formal mechanisms of consultation (Figure 7).

Figure 7: *Instruments used for private sector consultation*



Source: Reform Committee data
Note: Figure based on 107 economies with a functioning business reform committee, 51 of which reported some instrument for private sector consultation.

The informal nature of these consultations can ease the process of soliciting feedback, allowing stakeholders to speak and express themselves more freely. For example, Japan and New Zealand engage in informal consultation to gather feedback and have consensus. In the case of informal consultations, it is often argued that large enterprises and multi-national corporations (MNCs), with more resources and fluidity than that which exists between the government and large firms, are better suited to having such consultations; similarly, it can often mean that Small and Medium-sized Enterprises (SMEs) and micro-firms lose out. Experience from Uganda suggests that informal, ad hoc mechanisms can be most effective in the short-term, but in the long-term participants become frustrated at their lack of power.

The process of coordination with private sector actors typically takes place in the form of joint policy discussions, and sector-specific and area-specific policy meetings, such as starting a business (business registries) and registering property (property and land registries, etc.). All these instruments are equally widespread and used in over two-thirds of economies globally.

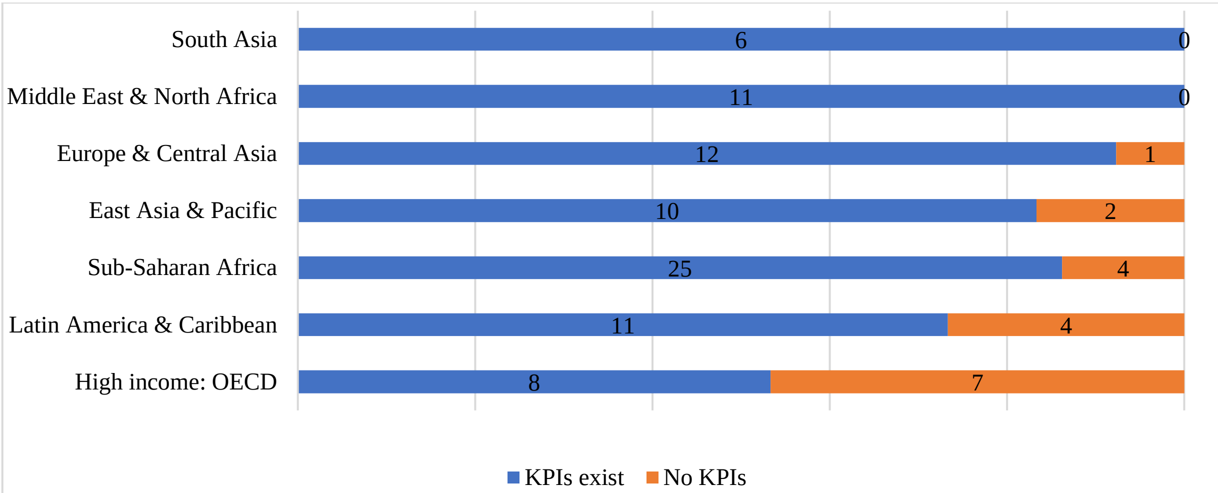
The source and frequency of financing a Reform Committees are also important elements of its organizational structure. In terms of the frequency of financing, in close to half of all committees the funding is allocated on an annual basis to support ongoing reform efforts. Financing of the reform committees on a three or five-year basis is rare, and can be observed in Canada, Denmark, Kyrgyz Republic, Tajikistan (three-year basis) and in Angola, Benin and Singapore (five-year basis). Notably, some economies allocate funding on a 'needs basis', such as West Bank and Gaza and Türkiye, whereas some other economies do not provide any financing to the reform committees.

With respect to the sources of funding, our results show that two sources are observed consistently across all income groups, namely (a) funding from the entity where the committee is housed and (b) from an independent government budget. The utilization of other sources of funding differs across income groups. For instance, in a few high- and upper middle-income economies the work of the committee is compensated neither fully nor partially. For example, in Malaysia and Greece, the committees are not financed. In Jamaica, the work of the Committee is voluntary, while the Secretariat is housed in the Jamaica Promotions Corporation and is financed by the central government. Similarly in Hungary, the Council does not have its own finance and the members do not get any compensation for work, but the Ministry of Finance organizes the events.

In low- and lower middle- income economies, funding and assistance from donor agencies plays a notably more prominent role compared to funding from other sources. In Moldova, for instance, the Secretariat of the Economic Council to the Prime Minister is supported by the European Bank for Reconstruction and Development, the UK Government's Good Governance Fund, and the International Finance Corporation. In the same vein, the IFC Advisory team provides technical assistance to the respective implementing agency of Ethiopia in terms of conducting diagnostics, benchmarking best practices, providing expertise, and training. Globally, in the vast majority of economies the work agenda is determined and updated regularly across different income groups. The updates usually take place monthly, every 3 to 6 months or on an ad-hoc basis.

In many economies, Key Performance Indicators (KPIs) are critical (key) indicators of progress toward an intended result; they can help monitor progress and identify bottlenecks. Institutional structures, including reform committees, can have measurable goals for their work through KPIs. In most economies globally, committees have measurable goals or key performance indicators (KPIs) to be attained. In fact, all reform committees in South Asia and MENA have measurable goals (KPIs) to be attained. Interestingly, however, only close to half of all committees in high income-OECD economies have KPIs (Figure 8).

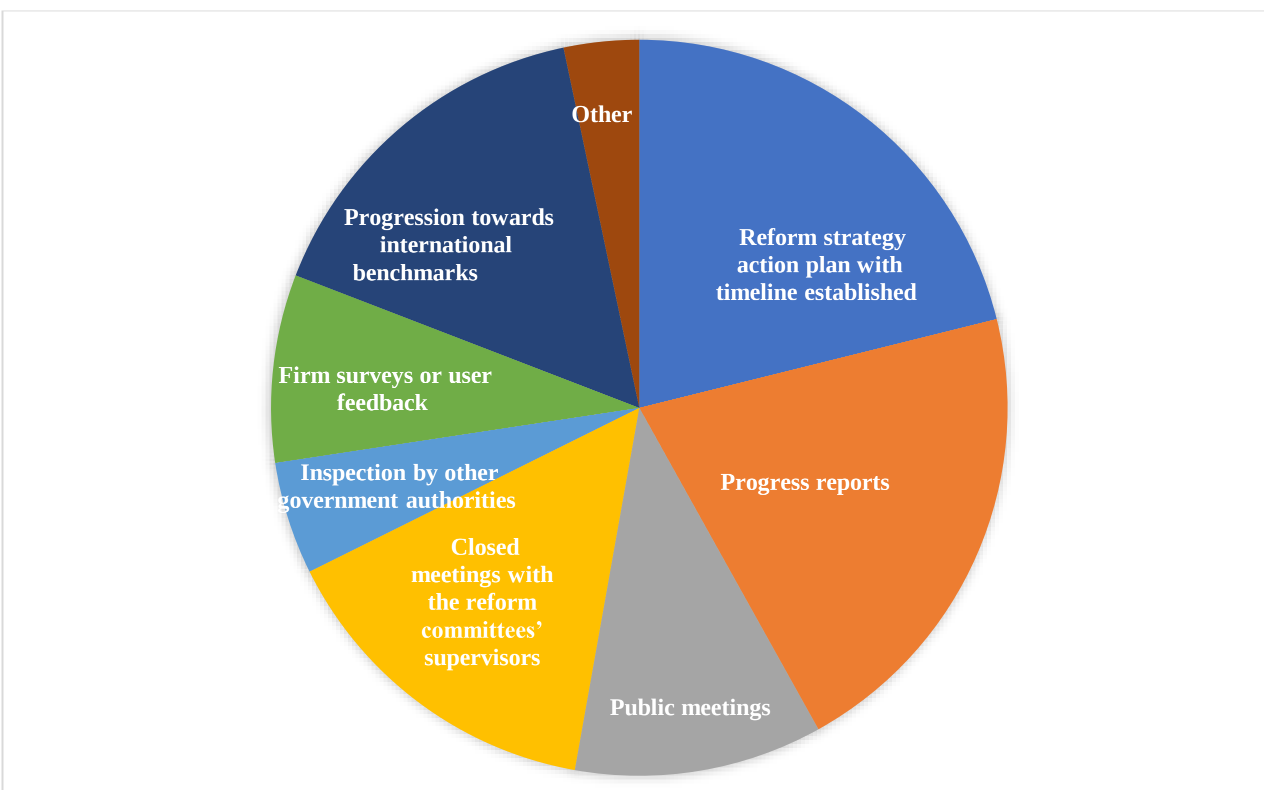
Figure 8: *Key Performance Indicators*



Source: Reform Committee data
Note: Note: Figure based on 107 economies with a functioning business reform committee, 54 of which have reported use of KPI.

Similarly, progress towards goals laid down by KPIs can be monitored and measured through different avenues. Progress reports and reform strategy action plans are the most common avenues used to monitor and measure progress towards goals laid down by KPIs, with approximately 60 percent of all initiatives deploying them. Other popular means used by reform committees to monitor and measure their goals include progression towards international benchmarks and closed meetings with supervisors of the reform committee. On the other hand, lack of progress towards these measurable goals usually requires the reform committees to present measures to rectify the situation (Figure 9).

Figure 9: *Monitoring and measuring avenues to measure progress towards KPIs*



Source: Reform Committee data
Note: Figure based on 107 economies with a functioning business reform committee.

In Azerbaijan, the Commission on Business Environment and International Rankings relies on different strategies to monitor progress, including reform strategy action plans, progress reports, closed meetings with supervisors, firm surveys, user feedback, and progression towards international benchmarks. For example, progress reports to monitor progress are provided by working groups to the Commission every three months and the final evaluation report is prepared by the Commission every 9-12 months. Similarly, in Peru, the website of the National Council of Competitiveness and Formalization (CNCF)[5] provides information about the fulfilment rate of the policy measures of the National Plan of Competitiveness and Productivity.

4.3. Stakeholder Engagement and Communication

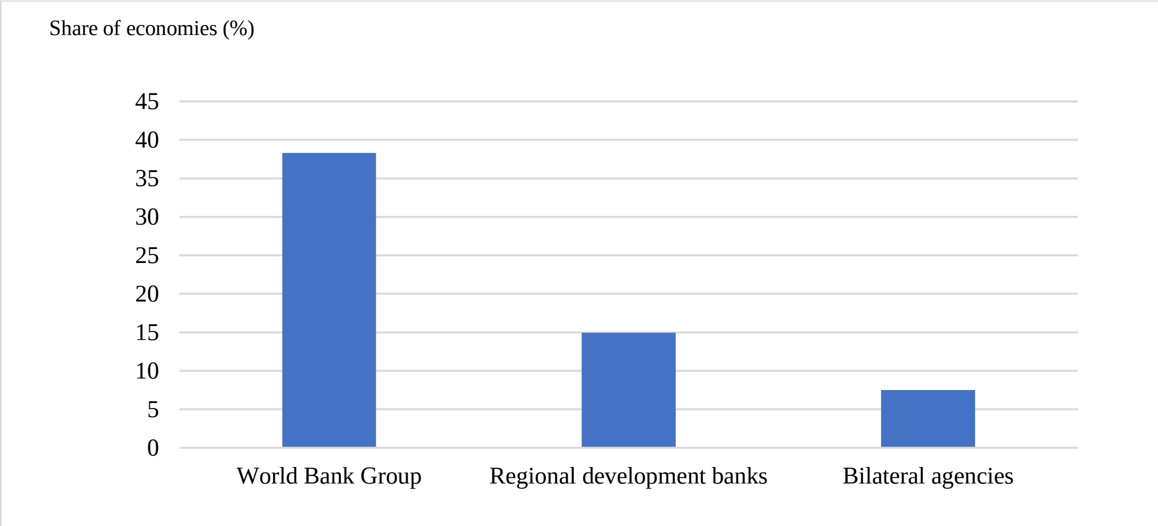
International organizations such as the World Bank and other development banks provide relevant technical and advisory support to clients regarding their business regulatory environment, including on setting up adequate institutional structures to implement reform agendas. These organizations can provide funding, technical advice, or training to the reform committee.

According to the data on reform committees, as expected, these international organizations have supported the creation of these reform committees mostly in low and lower middle-income setups. None of the reform committees in high-income economies have engaged international organizations in their development. The data seems to suggest that economies seem to rely on international development organizations in instances where they lack the requisite technical skills and financial capacity domestically. An exception to this is the case of Uzbekistan, a lower-middle income economy, where no international organizations were involved in the creation of the Republican Council for working with International Ratings and Indices.

Notably, more than a third of all reform committees have engaged the World Bank Group to support their creation (Figure 10). For example, the International Finance Corporation extended technical assistance towards the design and operationalization of the Ethiopia National Doing Business Reform Steering Committee. In other cases, the interventions from international organizations have been limited to providing technical assistance to support their reform agendas. For example, the World Bank has supported the actions of the reform committee in Brazil through technical support and the indication of reforms based on international best practices.

Figure 10: *Involvement of international organizations in the creation of Reform Committees*

[5] Website of the National Council of Competitiveness and Formalization (CNCF): https://www.mef.gob.pe/ayni/



Source: Reform Committee data
Note: Share of economies with reform committees

As a part of their work program, reform committees also engage in peer-to-peer learning initiatives, such as meetings with states or other departments that have successfully implemented reforms. These initiatives capture knowledge sharing across states and can play a role in reforming, as studies show countries can learn from their neighbors' efforts to establish reform committees. Sub-Saharan Africa followed by East Asia and the Pacific and high-income OECD are the regions with the highest number of peer-to-peer learning initiatives organized by and within the reform committee/council.

5. Case Studies

In this section, we present the following four case studies: Djibouti, Moldova, Mexico, and Malaysia.

5.1. Djibouti

The Republic of Djibouti launched the Djibouti Economic Development Council (Conseil de Développement Economique or CDED) in 2016 to organize and closely monitor the implementation of national reforms, for the purpose of promoting sustainable economic growth and overall prosperity of the country. To ensure the soundness and appropriate handling of the State's ventures and projects, CDED oversees and maintains harmony between the various domestic organizations and ministries involved in the development of economic policies. In this regard, the reform committee aims at stimulating the commercial and industrial growth of Djibouti, along with generating employment (Décret No 2016-242/PRE, 2018).

The Council, which has a permanent mandate, meets at least once a month; if judged necessary the President may call a meeting at any time (Décret No 2016-242/PRE and Reform Committee Survey). The President of the Republic also acts as the President of the Council, with six additional members including ministers of Economy and Finance, Investments and Foreign Affairs, the Secretary General, the President's Economic Affairs Advisor and the Ports and Free Zones Authority's President. The President can appoint at least two other members but cannot exceed five and they each serve a term of three years. The President holds the right to revoke appointments and members can be reappointed following the end of their term (Décret No 2016-242/PRE, 2018). In their absence, the President may also be represented at the reform council meeting by another duly mandated member. The minutes are taken at each council which must be endorsed and subsequently signed by the Secretary General of the Government for preservation. The Council may invite external advisers to assist in the decision-making process, however they are not permitted to vote. In Djibouti, the President plays a very active role not only by holding the title of head of the reform committee but also by setting the priorities, providing annual financing, and housing the CDED (Décret No 2016-242/PRE, 2018).

The steering board and working groups of the committee (each composed of less than 10 members) are represented by the public (governmental) sector who are involved in the legislative process. In the context of the coronavirus pandemic, the activities of the committee changed from May 2, 2020, to May 1, 2021, and the focus has shifted to policy responses to COVID-19, and responses were incorporated in the longer-term agenda of business competitiveness. The Conseil de Développement Economique also assists in the prioritization of projects associated with the development Partenariat Public-Privé (PPP). Following the communication of priority projects by the Minister in charge of Economy and Finance, the CDED needs to render an opinion within fifteen days. If no answers are provided by the deadline, it is marked as approved (Droit Afrique 2021).

5.2. Moldova

The Economic Council to the Prime Minister of the Republic of Moldova was established in 2011 (by Government Decision No. 631 dated 22 August 2011). The Council serves as an advisory body to the Prime Minister of Moldova, with a view to propose reforms that enhance the investment climate in the country. The Secretariat of the Council was established to support the activities of the Council. The Secretariat is supported by the European Bank for Reconstruction and Development and receives funding from the UK Government's Good Governance Fund and the International Finance Corporation's Investment Climate Reform Project funded by the Government of Sweden's International Development Agency.

The mandate of the Economic Council is as follows:

1. Facilitate dialogue between representatives of the business community and policy makers with a view to developing a favorable socio-economic climate and business environment that is non-discriminatory, transparent, and investment friendly.
2. Perform the duties of the National Trade Facilitation Committee in order to support and coordinate the implementation process of the Trade Facilitation Agreement Facility.
3. Perform the tasks of the Advisory Council for Small and Medium-sized Enterprises in order to identify key issues, concerns and needs of SMEs in Moldova.

Among other authorities, the Council discusses and develops solutions for external trade-related problems of national importance, which refer simultaneously to a number of public authorities and require a systematic approach. The Council also works on policy response to the consequences of the COVID-19 pandemic and on the improvement of the country's competitiveness in the global rankings.

The Council consists of 56 business associations, 47 government representatives and 19 representatives of the research community and international organizations, active in the area of regulatory reform. The members of the Council are appointed by the Prime Minister from among the representatives of the environment business, business associations, the scientific community, international organizations active in the field of business environment reforms, and their state institutions.

Over the course of its activity, the Council supported the introduction of key reforms that have been promoted to foster the development of Moldova's business environment. For example, the Council proposed the development of the first legislative package for the digitalization of the economy, which was recently adopted by the government. The legislation will allow measures to overcome the constraints that limit the possibilities for remote interaction, promoting digital services and electronic identity for entrepreneurs and citizens.

Another important reform facilitated by the Council was the introduction of the single electronic platform. These reforms allow Moldova to substantially reduce companies' administrative burden and expenses, thereby improving the attractiveness of its business environment. The Council is chaired by the Prime Minister and initiates plenary sessions upon her initiative to review issues that require special attention from the head of the government. The Minister of Economy and Infrastructure performs the functions of the Deputy Chairman of the Council. The plenary sessions are normally held on an annual basis.

The work of the Council is currently organized in nine permanent Working Groups. Most groups are coordinated and led by a member of the working group elected by a simple majority of votes. The only exception is the working group on the Advisory Council for Small and Medium-sized Enterprises, which is led by the Minister of Economy and Infrastructure. All the permanent members of the Council are invited to attend the meetings of the working groups, and in practice such meetings are mainly attended by the members whose activity refers to the topic debated in the meeting.

5.3. Mexico

The Business Regulatory Reform Committee in Mexico is the National Council of Regulatory Improvement (*Consejo Nacional de Mejora Regulatoria*). Established in 2019, it is the main interagency coordination body for the national policy of regulatory improvement in Mexico, whose functions include establishing guidelines for the implementation of the national policy of regulatory improvement, such as the utilization of Regulatory Impact Analysis (RIA) and the advancement of business regulations.

The National Council of Regulatory Improvement is composed of eleven members from the public and private sectors, including: the Minister of Economy (who acts as the chairman and sets the council's priorities), the Minister of Finance and Public Credit, the Minister of Public Administration, the Minister of the Interior, a representative from the Legal Counsel of the Federal President, a representative from the Office of the President, five state governments' representatives, the president of the National Observatory for Regulatory Improvement, and the commissioner of the National Commission for Regulatory Improvement (CONAMER, *Comisión Nacional de Mejora Regulatoria*). Citizens participate in the National Council of Regulatory Improvement through the National Observatory for Regulatory Improvement, which is composed of six members, one of whom serves as the president, who is a permanent member of the National Council of Regulatory Improvement. The members of the National Council of Regulatory Improvement are not compensated monetarily, and their responsibilities last as long as they remain as public servants in their respective ministries.

The National Council of Regulatory Improvement does not require separate financing for its operation, given its attributions and the nature of the council, which has a permanent agenda in monitoring the national policy of regulatory improvement. The National Council of Regulatory Improvement does not have specific key performance indicators (KPIs) to measure its objectives or goals. The council meets at least twice a year for policy discussions where approvals, decisions, and future actions are recorded in meeting minutes.

Under the General Law for Regulatory Improvement, CONAMER assumes a key role as the technical secretariat of the National Council of Regulatory Improvement. CONAMER is a decentralized and permanent administrative body of the Ministry of Economy that implements the decisions of the National Council for Regulatory Improvement. Its functions include proposing, developing, monitoring and evaluating improvements of 1) regulations, 2) simplifications of procedures and services, and 3) issuances of guidelines, instruments, mechanisms and good practices for the compliance of The General Law for

Regulatory Improvement. For example, in the framework of its functions to ensure transparency in the preparations of business regulations, CONAMER ensures that draft regulations go through an adequate public consultation process before being enacted. Usually, the private sector has less than one month to provide comments on the new business regulations.

As part of the national policy of regulatory improvement set by the National Council of Regulatory Improvement, CONAMER also implemented certification programs that incentivize good national and international practices in business regulations, such as the Quick Starting a Business System (SARE, *Sistema de Apertura Rápida de Empresas),* SARE Reconnaissance and Operation Program (PROSARE, *Programa de Reconocimiento y Operación SARE*) or Simplified Construction Window (VECS, *Ventanilla de Construcción Simplificada*).

SARE[6] is a program of simplification, reengineering, and administrative modernization of municipal regulations for the process of "starting a business" by low-risk companies. The program is based on the following elements: implementation of a single window for the "starting a business" process, a single form called Single Business Format (*Formato Único de Empresas*), authorization or denial of the application in a maximum of three days, and an adequate regulatory framework. CONAMER issues a SARE certificate for a maximum period of two years to those municipalities that have implemented the SARE requirements. Currently, there are 19 municipalities around the country with an active SARE certification.[7] PROSARE[8] is a complementary certification to the SARE certificate. The PROSARE program diagnoses, evaluates, and promotes the maintenance and strengthening of "starting a business" process in those municipalities with (1) diverse "starting a business" processes different from the SARE program and (2) SARE certifications that have expired. Currently, there are 73 municipalities with an active SARE certification.[9] VECS[10] is a program that ensures the installation and operation of a single window for the issuance of the municipal construction licenses through the simplification and reengineering of procedures and services. The program guarantees obtaining the authorization of construction permits in a period of maximum ten days, involving three steps and a single document. Currently, there are six municipalities with an active VECS certification.[11]

5.4. Malaysia

The Malaysian Special Task Force to facilitate business (PEMUDAH) was established on February 7, 2007, with the idea to address bureaucracy in business-government dealings and improve how the government regulated businesses. PEMUDAH seeks to facilitate closer collaboration between the public and private sector, to enhance public service delivery, and improve the business environment in Malaysia. PEMUDAH's vision is to achieve a globally benchmarked, proactive, responsive, business-friendly and

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[6] Website of the Sistema de Apertura Rápida de Empresas (SARE):
https://www.gob.mx/conamer/documentos/sistema-de-apertura-rapida-de-empresas-sare

[7] Website of Comisión Nacional de Mejora Regulatoria (CONAMER)
https://conamer.gob.mx/certificaciones/Certificaciones/FiltradoPorFecha?Programas=SARE

[8] Website of Comisión Nacional de Mejora Regulatoria (CONAMER):
https://www.gob.mx/conamer/documentos/programa-de-reconocimiento-y-operacion-sare-prosare

[9] Website of Comisión Nacional de Mejora Regulatoria (CONAMER):
https://conamer.gob.mx/certificaciones/Certificaciones/FiltradoPorFecha?Programas=PROSARE

[10] Website of Comisión Nacional de Mejora Regulatoria (CONAMER):
https://www.gob.mx/conamer/documentos/71055#:~:text=La%20Ventanilla%20%C3%BAnica%20de%20Construcci%C3%B3n,actores%20relevantes%20del%20sector%20construcci%C3%B3n

[11] Website of Comisión Nacional de Mejora Regulatoria (CONAMER):
https://conamer.gob.mx/certificaciones/Certificaciones/?filter=VECS&valIsFilter=1#:~:text=El%20Programa%20de%20Ventanilla%20de,hasta%201%2C500%20m2%2C%20as%C3%AD%20como

results-oriented public and private sector delivery service, to enable an efficient, productive, internationally competitive, sustainable and inclusive national economy which upholds the welfare of its people.

PEMUDAH's work is carried out by its members, who are heads of federal government ministries and departments, accomplished leaders of trade and industry, and members co-opted from key public sector agencies. PEMUDAH's governance framework and organizational structure effectively cuts across silos, smoothens implementation processes, and encourages teamwork and information sharing.

By empowering the private sector with agenda-setting and decision-making power, PEMUDAH strives to enhance the private sector's incentive for active participation. PEMUDAH's institutional structure makes them equal players in the business regulation reform agenda. Drawn from prominent industry and trade leaders and non-governmental organization heads, these private sector representatives represent different sectors of the Malaysian economy.[12] Vested with such powers and representation, the private sector sees itself as an equal player with adequate decision-making power in making necessary regulatory changes that affect the business environment in which they operate, thus directly benefitting from these changes. PEMUDAH has 12 technical working groups, each of which is co-chaired by a senior government head and a business leader who report directly to the PEMUDAH co-chairs (the Chief Secretary to the government and the Vice-President of the Federation of Malaysian Manufacturers) (Kuriakose and Eknath (2020).

Collaboration between the public sector and the private sector through PEMUDAH has driven policy and regulatory reforms and improvements to enhance the public and private sector service delivery and the general business environment in Malaysia. Through its technical working group, PEMUDAH has led initiatives to, among other things, streamline the process of business incorporation, implement e-payment facilities, and facilitate trade. More recently, PEMUDAH has provided healthcare industry players with the requisite information on the submission process and harmonization of technical requirements for setting up private hospitals in Malaysia (Kuriakose and Eknath 2020).

6. Implications for future research

This paper is the first step in a longer research agenda on the mandate, structure, and composition of reform committees. As such, the current data lays a foundation that could be further refined and expanded to answer different research questions. The types of questions the data in its present form can address include further analysis of descriptive data to provide an even more granular understanding of what the current data suggests. The data could be used to design typologies of reform committees or related indicators which could be analyzed using different statistical methods. Statistical correlations could also be generated for further empirical testing. For example, is there a correlation between the existence of a reform committee and the number of business regulatory reforms enacted, or the type or effectiveness of business regulatory reforms implemented over the course of the existence of the committee? Similarly, is there a correlation between the position of the committee within the government (housed at the Prime Minister's office, at a Ministerial level or other) and governance effectiveness or regulatory compliance as measured by either sector-specific improvements or broad national indicators such as the Worldwide Governance indicators, Fraser Institute's Economic Freedom indicators, or Business Ready (the new World Bank Group's benchmarking project assessing the business and investment environment worldwide[13])?

An important contribution of the current project is the relationships and contacts that have already been established with the appropriate institutions. They could provide additional information and data which, in

[12] Website of the Special Task Force to Facilitate Business or PEMUDAH (Pasukan Petugas Khas Pemudahcara Perniagaan) https://www.pemudah.gov.my/about

[13] Website of the World Bank Group Business Ready: https://www.worldbank.org/en/businessready

turn, could help answer other types of questions, examining the effectiveness of a committee and the reasons for this. For example, are some committees more effective because of the role of private sector organizations which are inherently better organized and thus more effective in securing influence on reform committees? Are some committees unable to deliver because of the public sector fragmentation – political contention or conflicting incentives hindering the ability of the government to reach a clear decision and sustain implementation momentum? How does a reform committee assess its effectiveness if it not using KPIs? Even when using KPIs, are they in fact a good measure of success both to themselves and to external observers? These and many other related questions about the underlying components and complementary factors that enhance the effectiveness of successful reform committees could further be explored. The data provides also ample opportunities for operational advice, particularly to countries seeking guidance on how to establish or (improve) their own reform committee.

Furthermore, additional regular updating of reform committee data would allow tracking of the nature and extent of change. A follow-up the economies that did not participate in the first round may elicit additional information and allow for more regional and country-specific research, including additional case studies. With each round of data collection, additional key questions could be asked or refined on the basis of lessons learned from earlier data analysis. Finally, interviews from members of the different types of reform committees would provide a more detailed 'inside view' of the roles, responsibilities, and incentives of the reform committee members.

7. Conclusion

Business regulatory reform is important for every government because it matters for private sector development, job creation, service delivery, and economic growth. After identifying what needs to be reformed, the next big challenge for governments is how to effectively implement the reform. Some do it through specifically designed reform committees, others through already existing structures in the government. Close to half of the reform committees globally are housed in the Prime Minister's office reporting directly to him/her, while others are part of a working group in a Ministry or Agency. In most economies, public sector representatives are members of both the steering board and the working groups. However, this does not define the quality of engagement. Many engage very actively with the private sector at every stage of the process, while others do not engage at all or very little. Each approach can have a different degree of success. This paper and accompanying dataset provide new insights to help governments strengthen their institutions for better business regulations. The dataset also provides many opportunities for future research, both in terms of theory on the role of institutions in development and concept validation on the organization and effectiveness of reform committees. Lastly, combining these data with other datasets such as the Business Ready data can help governments better design business regulatory reforms important to firms and society at large.

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