

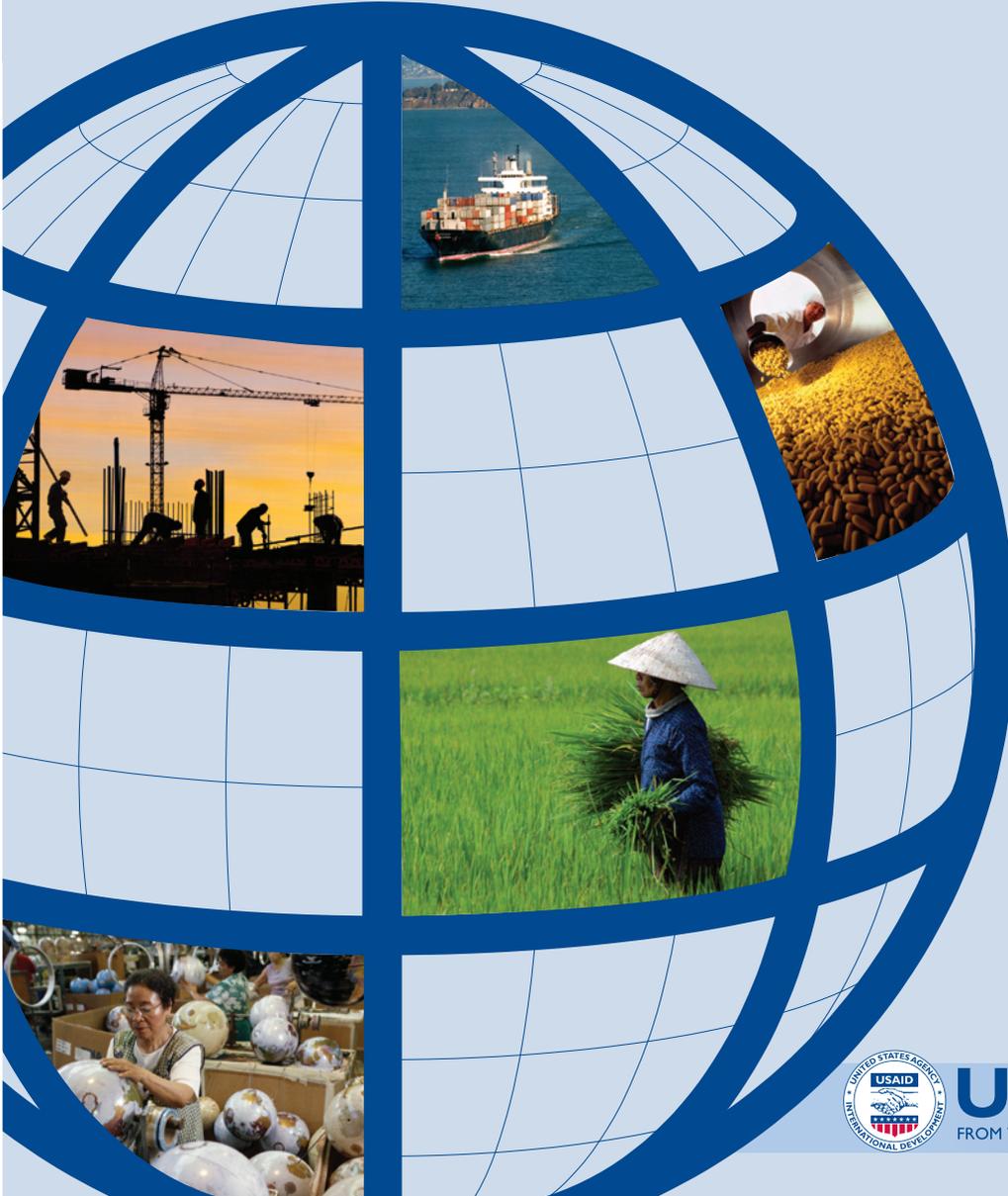


# BIZCLIR

Business  
Climate  
Legal &  
Institutional  
Reform



ASSESS | ENGAGE | INFORM



**USAID**  
FROM THE AMERICAN PEOPLE

## Doing Business Is a Start

### Doing Business Areas

1. Starting a Business
2. Dealing with Licenses
3. Employing Workers
4. Registering Property
5. Getting Credit
6. Protecting Investors
7. Paying Taxes
8. Trading Across Borders
9. Enforcing Contracts
10. Closing a Business

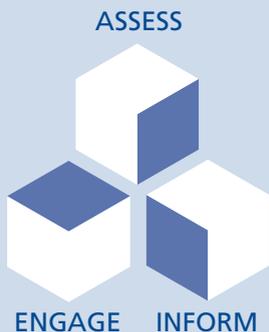
BizCLIR takes *Doing Business* to the next level—it diagnoses the impediments to growth and provides solutions for reform.

Over the past five years, the World Bank's *Doing Business* reports have greatly elevated the importance of the business climate and acted as a catalyst for reform. During this period, the *Doing Business* maxim, "What gets measured gets done," has captured the spirit of the reports and reflected the many reforms that have followed their publication. Between April 2006 and June 2007 alone, 200 reforms were enacted that improved the business climate.

The ten *Doing Business* areas provide a quick and concise measure of the health of a nation's business environment. These "top-line" indicators (e.g., days to start a business) help identify broad priorities for reform. However, *Doing Business* indicators only point to basic health, and more analysis is necessary to determine the root causes and take action.

The Business Climate Legal and Institutional Reform (BizCLIR) project provides detailed diagnoses and targeted treatments to remedy ailing *Doing Business* areas. BizCLIR's services allow decision makers to:

- ▶ **ASSESS** the root causes with diagnostics that dig deeper
- ▶ **ENGAGE** with solutions that deliver reform
- ▶ **INFORM** through knowledge tools that empower reformers





## ASSESS with Diagnostics that Dig Deeper

BizCLIR Diagnostics identify the root causes of an impaired business environment and provide practical remedies for reforming it. They investigate *Doing Business* areas at a deeper level by analyzing more than 1,000 indicators.

BizCLIR Diagnostics can be customized to focus on country-relevant areas by adding a certain emphasis within existing *Doing Business* areas (such as an increased focus on gender) or even new subjects (such as sector issues like agriculture) to the assessment. A basic BizCLIR Diagnostic includes:

- ▶ **Rapid initiation:** Within 6–8 weeks of the initial request, world-class experts are deployed for 2–3 weeks to interview 100–150 key stakeholders
- ▶ **Prompt results:** Within 6–8 weeks of the diagnostic, the assessors produce an Agenda for Action report with findings and recommendations
- ▶ **Light footprint:** The logistics and scheduling are independently managed and do not require significant mission involvement
- ▶ **Limited commitment:** The Diagnostics do not require a new task order—US Agencies can simply buy into the project

### The Top 5 Benefits of a BizCLIR Diagnostic:

1. Quick diagnosis that allows for rapid reform responses
2. Action-oriented plans that identify programmatic priorities for remedying *Doing Business* problem areas
3. Technical advice from world-class experts who bring reform recommendations from global experience
4. Roundtable events that spur public-private dialogue and problem-solving
5. Cross-regional comparisons that help to identify regional issues, solutions, and priorities



## ENGAGE with Solutions that Deliver Reform

**BizCLIR Solutions provide the technical knowledge for remedying problems in the ten areas of *Doing Business*.**

BizCLIR Solutions are concrete, measurable, and based on international standards. They include a wide array of practical reform initiatives. Projects range from the development of credit bureaus to the reorganization of customs agencies to the drafting of new company laws. This technical assistance is tailored to meet the needs of the client, and, therefore, projects vary in duration, level of effort, and cost.

A clear focus on maximum knowledge transfer is built into every project through the integration of local assistance. Close consultation with the local public and private sectors is included to ensure the necessary buy-in for successful reform. Selected best practices are used to increase the impact of implementation.



### BizCLIR Solutions Offer a Range of Possibilities

#### Basic BizCLIR Solutions

- ▶ Smaller scope (e.g., project design for a credit bureau)
- ▶ Limited engagement: 2–6 weeks
- ▶ Problem definition and solution design



#### Extended BizCLIR Solutions

- ▶ Larger scope (e.g., trade single window project design and implementation)
- ▶ Extended engagement: 6–12 months
- ▶ Problem definition and solution implementation



## A Sample of BizCLIR Solutions

DOING BUSINESS AREA	LEGAL REFORM	INSTITUTIONAL/OPERATIONAL REFORM
Getting Credit	Initiate secured transactions law Reform bankruptcy legislation	Create credit bureau Develop micro-credit bank
Trading Across Borders	Draft economic zone law Develop valuation regulations Upgrade express courier rules	Establish single window system Institute risk management system Execute customs integrity program
Registering Property	Draft land reform law Create copyright legislation	Unify land registry operations Create secured transactions registry
Paying Taxes	Develop new corporate tax law Draft income tax regulations	Develop tax authority organization Automate tax collection systems
Starting a Company	Initiate corporate governance code Streamline registration regulations	Automate business registration Develop streamlined processes

### BizCLIR in Eastern Europe

*"The assessment has been an extremely important tool for the Government of Macedonia in three major areas: 1) roadmap for economic reform; 2) public-private sector dialogue and action; and 3) donor coordination. It has become a main framework for WTO post-accession processes and EU integration. In part due to these efforts, our nation is fourth in top-ten reformist governments in the world according to the World Bank's "Doing Business 2008."*

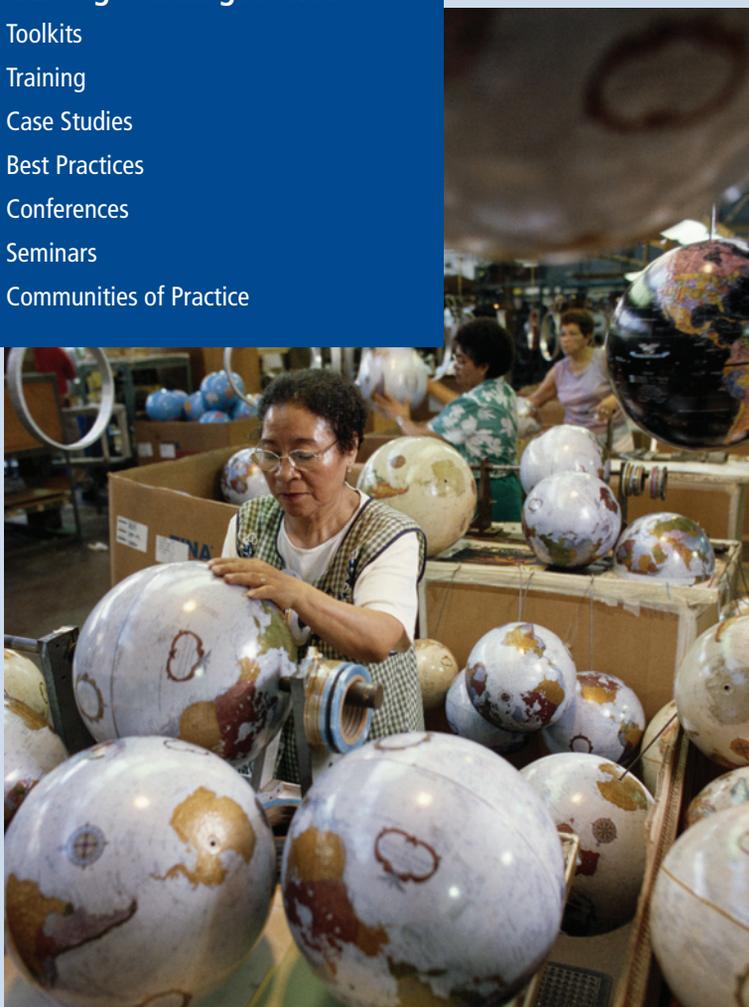
—Zoran Jolevski, Ambassador  
to United States for FYR Macedonia



## INFORM through Knowledge Tools that Empower Reformers

### Knowledge Sharing Activities

- ▶ Toolkits
- ▶ Training
- ▶ Case Studies
- ▶ Best Practices
- ▶ Conferences
- ▶ Seminars
- ▶ Communities of Practice



**BizCLIR Knowledge Tools equip leaders with actionable information that leads to change.**

BizCLIR provides Knowledge Tools directly to reformers by means of toolkits, training, best practices, and other practical resources. Leaders can use these effective tools to address problems in the business environment and take action to solve them.

Using BizCLIR Knowledge Tools can improve organizational efficiency and innovation. These tools provide a roadmap for meeting international standards in key areas, such as banking, corporate governance, trade facilitation, and competition. BizCLIR Knowledge Tools generate, capture, and disseminate information that is current and useful.

BizCLIR provides a forum for Communities of Practice to—either virtually or in person—share ideas, insights, and information, and to solve problems.



## Knowledge Tools Facilitate Success: Best Practices

BizCLIR Knowledge Tools include best practices that update reformers on the latest successful strategies. Best practices include:

### Streamlining Egypt's Customs Procedures

Egypt's trade potential was being stifled as a result of the inefficient and slow import system. To address this dilemma, the Account Management System (AMS) was implemented, which applied modern risk management principles to customs clearance operations.

#### The Result

- ▶ A quicker release of cargo at the ports because companies were assigned pre-set risk criteria
- ▶ A decrease in the average time at port from 7 days to 24 hours



### BizCLIR in Africa

*"This is a most useful, indeed, catalytic assessment that is instrumental in helping the Government of Ethiopia with accession to the WTO. It has also informed Ethiopia's Donors' Group, providing USAID with the opportunity to take a greater leadership role in private sector and trade development and to leverage resources beyond our own."*

—Glenn Anders, USAID/Ethiopia Mission Director



### Simplifying Georgia's License Regime

Georgia suffered from long delays and corruption because of excessive licensing requirements, particularly in the construction industry. To mitigate these issues, the licensing regime was reformed to decrease the number of required licenses.

#### The Result

- ▶ A drop in the number of activities requiring licenses from 909 to 159
- ▶ An increase of 151% in construction permits in Tbilisi
- ▶ A doubling of the share of construction in GDP from 2000 to 2006





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## USAID BizCLIR Activities 1998–Present



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