

# MAKING SENSE OF INVESTMENT CLIMATE SURVEYS

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## Introduction

- Investment climate a broad, multi-dimensional concept
- Difficult to measure
- Wide array of assessment tools and methodologies used
- World Bank a pioneer in the field

## What different assessments of the investment climate exist?

- Comprehensive country studies e.g.
  - Investment Climate Assessments
  - Business Environment Surveys
- Studies of specific investment climate features
  - Regulation e.g. Doing Business
  - Corruption e.g. Corruption Perception Index
  - Governance e.g. Governance Indicators
  - Others: transparency, competition etc.
- Studies of specific sectors



# Investment climate surveys database

## DFID searchable database

Country

All



Quant/Qual

All



Type of survey

All



## What are the challenges in assessing the investment climate?

<b>Aggregate vs disaggregate data</b>	<b>Objective vs subjective data</b>
<ul style="list-style-type: none"><li>▪ Country comparisons</li><li>▪ Variations within the investment climate</li><li>▪ Variations within countries</li><li>▪ Variations across firms or sectors</li><li>▪ Multidimensional aspect to the investment climate</li></ul>	<ul style="list-style-type: none"><li>▪ Precise benchmarking</li><li>▪ Weak data collection and reporting systems</li><li>▪ Some dimensions difficult to quantify</li><li>▪ Perceptions important</li><li>▪ Country comparisons</li></ul>

**Carefully select and combine methods**

## Many questions remain...

- Are the right questions asked?
- Are results comparable between countries?
- Are all these different tools needed?
- What about the informal sector?
- Do diagnostic tools lead to reform?
- How do we move from assessment to implementation?
- What role can donors play?

**Thank you!**