



PRESS RELEASE

The International Organisation of Employers (IOE)¹ and the World Bank pledge to unite forces

Geneva, 30 May 2007 – At a special session hosted by the International Organisation of Employers, the Chief Economist of the Indicators Group IFC World Bank, Simeon Djankov, outlined the very real impact the World Bank’s “Doing Business Reports” were having around the globe.

He told the annual global meeting of employers’ organizations that the Reports are acting as a key catalyst for regulatory reform efforts on all continents and that they are helping to make it easier for enterprises “*to do business*”.

In simple terms he said that it should not take nearly 300 days nor 29 different procedures to register a business – as is the case in some jurisdictions, particularly when others need much fewer procedures which can be completed in a matter of days. The Reports clearly highlight this discrepancy.

He also remarked that, by placing countries in terms of figure comparisons, what we are now seeing are countries not only competing to get up the rankings but also using a high ranking position to promote their countries as an enviable investment location for setting up business and attracting foreign investment.

Aspects of these Reports that have drawn criticism from some quarters, however, have been the labour elements. The fact remains that rigidities in labour legislation in many countries need to be tackled as the informal economy in some developing countries represents a significant contributing factor with rates of 80% and above.

The session closed with a focus on how the World Bank and employers’ organisations could unite their forces in accurately validating the data gathered for these reports at a national level and with the recognition that the IOE and IFC of the World Bank should be important allies in creating better regulated national environments conducive to enterprise creation and development.

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¹ The IOE is an international member-based organization founded in 1920 representing the business community social and labour policy. Its membership numbers 145 national employer federations in 138 countries.