

A clean break from Doing Business rankings

By Jonathan Pryke and Robin Davies

An [Independent Review Panel](#) established to comprehensively review the World Bank's annual *Doing Business* report released their final report on Monday, calling for the Bank to "make a clean break" with the practice of ranking countries in the report on the grounds that the results might be misleading and were sometimes not objective.

The *Doing Business* report, now in its 10th year, measures and analyses regulations that apply to small and medium-sized local businesses in 185 economies (see the 2012 rankings [here](#)). It is based on 10 indicators and updated annually. Considering its rankings are, according to review panel chair Trevor Manuel, "the leading tool to judge the business environment of developing countries", and carry enormous weight with governments, media outlets, researchers and development organisations, the call for an end to the rankings system is a big deal.

The review panel found that the report relies on a narrow information base, uses flawed data-collection methodology, is not designed in such a way as to help countries improve their rankings and has insufficient oversight. It recommended continuing the report, minus the rankings, and made a series of other recommendations for change. For example, a peer-review process will be introduced, the methodology fixed, transparency increased and oversight and management arrangements clarified.

The World Bank has yet to respond to the Panel's findings. Interestingly, Jim Yong Kim released a [statement](#) on 7 June about the review process, in which he said, "rankings are part of [the report's] success".

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