

September 2, 2021

Carmen Reinhart
Vice President and Chief Economist
The World Bank
Washington, D.C.

Dear Carmen,


On behalf of the Doing Business' External Review Panel, I am sending you our final report. The panel carefully considered the comments made by the Doing Business team on our first draft report submitted on July 1, 2021.

After careful consideration and deliberation, we recommend that the Doing Business team modify and improve the current methodology to better reflect the reality faced by firms around the globe. The methodological recommendations include measuring *de facto* as well as *de jure* rules using a representative cross-section of firms, integrating government's function in promoting a good business environment, and expanding the international coverage of the indicators, notably in trade and finance. We suggest introducing changes for specific indicators: eliminate the indicators "Protecting Minority Investors" and "Resolving Insolvency", retain and improve the measurement of "Paying Taxes", reintroduce the "Employing Workers" indicator, and strengthen the "Contracting with the Government" indicator. Overall, we recommend that the Doing Business team remove the aggregate index and country rankings and improve the transparency and oversight of Doing Business.

The final report is an outcome of weekly meetings of the Panel members and consultation with the Doing Business team and a large number of experts and stakeholders, including the World Bank's Board of Directors, country directors and chief economists, the Independent Evaluation Group, and the Enterprise Surveys team. We received professional and prompt feedback from the Doing Business team whenever requested.

We recognize that the Doing Business project is of great importance to governments, policymakers, and researchers worldwide. We hope that our review will add value to further improve this highly relevant project.

Sincerely,

A handwritten signature in cursive script that reads "Mauricio Cardenas". The signature is written in black ink and is positioned above a short horizontal line.

Mauricio Cardenas
Chair, External Review Panel for the Doing Business Report