Investment levels may stand as a better measure of the success of the Bank Group’s Africa interventions. They have been a gauge of the impact of reform in Sub-Saharan Africa for nearly a decade, a period characterized by dramatic economic growth on the continent. The World Bank Group has been working on investment climate reform efforts in Sub-Saharan Africa, and this note examines the Bank Group’s investment climate efforts, including the Business Environment and Enterprise Performance Surveys (BEEPS), which together with Doing Business has enabled the World Bank Group to conduct an extensive reform count by economy for the first time. The World Bank Group’s investment climate efforts, now managed by the Bank Group’s Trade and Competitiveness Global Practice, have helped countries in Sub-Saharan Africa achieve higher levels of investment climate reforms.
embraced business reforms have also attracted domestic and foreign investment and achieved steady growth. Reforms often have been beneficial if phased in quickly and in neighboring countries quite immediately on similar reforms.

A Fundamental break with the past?

Note: High-growth, resource-poor countries reviewed by the IMF also include Tanzania and Uganda. Some of these countries have since been identified as group 3. See figure 1, analysis by both the World Bank and the Economic Forum’s Africa Competitiveness Report which includes Ethiopia, Mozambique, Rwanda, Ghana, and Tanzania, and Uganda (IMF 2013; World Bank 2012).

Resource-poor countries have seen trends in budget deficits and inflation, leading to greater stability. The excesses of the past have given way to economic growth that now provides greater civic involvement and the reduction of local conflicts across Africa. This marks a stark contrast with the “lost decade” of the 1980s when most Sub-Saharan African countries embarked on similar reforms. In this context, the performance has been dramatic, having moved many countries from one of the lowest levels of performance in the Doing Business rankings to near the top. This story has been true for many countries, not only for recent years but also for the past decade.

For example, in the Doing Business reforms, Sub-Saharan countries have experienced impressive economic change that has occurred largely as a result of their movement on the Doing Business index. As shown in figure 2, across sectors in terms of their change on the reform scale, indicating a level of demand to address business environment and growth constraints. On this scale, the Group 3 cluster of countries stand out in terms of change, by both measures enhancements and improvements with application for growth. This group includes the fast-growing, resource-poor countries that have achieved much faster growth.

Some of these countries have been identified as group 3. See figure 1, analysis by both the World Bank and the Economic Forum’s Africa Competitiveness Report which includes Ethiopia, Mozambique, Rwanda, Ghana, and Tanzania, and Uganda (IMF 2013; World Bank 2012).

Doing Business effectively

The World Bank Group has been partnering with governments, development partners, and the private sector to create a continent that builds a business environment that supports entrepreneurship, innovation, and competitiveness. Launched in 2002 as part of World Bank-International Finance Corporation (IFC) program, investment climate work initially focused broadly on topics defined by the World Bank Group corridors, and it was therefore restricted to a high-impact set of challenges that would have the greatest positive impact on economic growth. This focused the investment climate reform efforts on the key areas of trade and investment, competition, and property rights. This work capitalized on the high profile of Doing Business reform and the potential for significant natural resources. As shown in figure 3, the reform efforts have all contributed to a set of high-growth, resource-poor countries, however, the focus has evolved over time to the World Bank and the International Monetary Fund (IMF) (Economic Forum 2012).

As the Doing Business reports point out, however, there is an important challenge for reformers: the transition from one investment climate reform that matters to market reform. This requires a deeper understanding of the region and how they affect the overall investment climate. This has occurred in the region, and how these changes relate to the rankings. Some economic indicators are affected greater interest of others. They begin with economic growth, but also include:

Success as growth

Figure 4 follows the relationship between the reform effort and the Doing Business rankings for the African countries. It shows that the relative distance to the Doing Business frontier and the development gap have narrowed. Tanzania’s broad cluster of countries energy. Group 3 represent the strong economic position, slightly below to the left of the actual average. These countries are well above 70 percent of the way toward the frontier and have been quite at growing at 4 percent per year. Group 2 is a cluster of countries with the advantage of promoting natural resources. Alternatively, are positioned on the same scale, which group 1 countries with stronger growth incentives, are given the benefits of having access to large natural resources.

Group 3 consists of a mix of countries that are fast growing and above the average on Doing Business performance. It includes the countries in Group 3, which are high performers in figure 2, emerge as exceptional performers in figures 3 and 4. This group performed the majority of countries that are fast growing and above the average on Doing Business performance. It includes the countries in Group 3, which are high performers in figure 2, emerge as exceptional performers in figures 3 and 4.

Group 3 consists of a mix of countries that are fast growing and above the average on Doing Business performance. It includes the countries in Group 3, which are high performers in figure 2, emerge as exceptional performers in figures 3 and 4.

The bottom line: investment climate reforms have been an important part of overall economic growth in the region, a pattern that has continued into the future. However, economic growth has often been associated with natural resources. One country that stands out is Mauritius. It is a globally integrated country, such as Mauritius and South Africa. It is a country that has transitioned from a resource-poor, resource-rich economy to a globalized economy. This country has transitioned from a resource-poor, resource-rich economy to a globalized economy. This country has transitioned from a resource-poor, resource-rich economy to a globalized economy. This country has transitioned from a resource-poor, resource-rich economy to a globalized economy.
embraced business reforms have also attracted domestic and foreign interest and achieved steady growth. Reforms that have generated broad-based support have had a lasting effect on economic outcomes, even when growth quickly subsided on similar reforms.

A Fundamental break with the past?

The second wave of economic reforms took place in the 1990s, a period that has been termed the “golden age of liberalization” (IMF 2013). In some countries, this second wave marked a departure from earlier efforts. These reforms were accompanied by a broad and rapid increase in foreign direct investment, which in turn led to a boom in the economy. This process was aided by structural adjustment programs (SAPs) that were initiated by countries with large outstanding debts to international financial institutions. By the end of the 1990s, many countries had achieved debt sustainability, and the debt crisis was over. This process was also accompanied by a dramatic reduction in inflation, and growth took on a steady and predictable pattern.

However, some more traditional growth factors also contributed to the improvement in economic performance. For example, in Sub-Saharan Africa, the average growth rate for the period 1995–2000 was 7.8%, compared to 8.0% for the period 2001–2007 and 8.2% for the period 2008–2010.

In summary, the African countries that embraced business reform have enjoyed significant economic growth, and the benefits of these reforms have been widely documented in academic and policy literature. However, it is important to note that the extent and quality of the reform efforts varied across countries, and some countries have experienced more challenges in implementing the reforms than others. The extent and quality of the reform efforts have been assessed using various indicators, such as the Doing Business indicator, which measures the ease of doing business in a particular country. The Doing Business indicator ranks countries based on their performance in a range of business-related indicators, such as access to electricity, export and import regulations, and the availability of credit.

The Doing Business indicator shows that Sub-Saharan African countries have made significant progress in improving the business environment. The region has moved from being one of the least business-friendly regions in the world in the early 2000s to being one of the most business-friendly regions in the world today. This progress has been driven by various factors, including government policies aimed at improving the business climate, as well as by the increasing demand for goods and services in the region.

Looking to the future, it is important to note that Sub-Saharan African economies remain vulnerable to external shocks, such as changes in commodity prices or global economic downturns. Therefore, it is crucial to continue to implement sound economic policies and to strengthen institutions to ensure sustained economic growth.

In summary, the experience of Sub-Saharan African countries in implementing business reform has been positive, but challenges remain. It is crucial to continue to implement sound economic policies and to strengthen institutions to ensure sustained economic growth. The region remains vulnerable to external shocks, and it is important to continue to implement sound economic policies and to strengthen institutions to ensure sustained economic growth.
Not only should we examine the extent of growth for specific countries, but we also need to look at how growth relates to overall performance. The left panel of figure 2 shows changes in the Doing Business frontier over 2007–11. Since we presented these data in 2012, changes in the rankings have continued, so we have reposed these results in figure 3 in the same format as the previous year, with the exception of some countries that are not available in this year’s report.

The clusters move and merge in interesting ways. Group 1, the somewhat lackluster group that represents the average regional economy, positioned below average in terms of change (as opposed to position) on the reform scale, indicated a level of desire to address business environment and growth constraints.

The bottom line: investment reform matters. […] In this context, the user performance has been remarkable, having moved up from amongst the lowest tier of performance in the Doing Business rankings from 2007. Other top performers in the region in recent years have included Botswana, Rwanda, Djibouti, Burundi, Côte d’Ivoire, and Tanzania, all of which have improved their rankings. These countries have been characterized by their ability to move ahead in a region that has in recent years been characterized by slow growth. The clusters move and merge in interesting ways. Group 1, the somewhat lackluster group that represents the average regional economy, positioned below average in terms of change (as opposed to position) on the reform scale, indicating a level of desire to address business environment and growth constraints. On this scale, the Group 3 consists of countries that struggle to position on the rankings. Certain economic indicators may be high performers in figure 2, emerge as exceptional frontiers and have been growing at roughly 4 percent per year. Group 2 is a cluster of countries with the downside of growing natural resources. Although most of them have been growing at the pace that the average region’s growth against how its countries have achieved much faster growth.

The added benefit of fast growth. After a decade of experience with investment climate reform, the region has seen significant improvements in the Doing Business rankings, especially in the area of investor protection and the legal and regulatory framework. The left panel of figure 3 shows changes in the Doing Business frontier over 2007–11. Since we presented these data in 2012, changes in the rankings have continued, so we have reposed these results in figure 3 in the same format as the previous year, with the exception of some countries that are not available in this year’s report.

The clusters move and merge in interesting ways. Group 1, the somewhat lackluster group that represents the average regional economy, positioned below average in terms of change (as opposed to position) on the reform scale, indicating a level of desire to address business environment and growth constraints. On this scale, the Group 3 consists of countries that struggle to position on the rankings. Certain economic indicators may be high performers in figure 2, emerge as exceptional frontiers and have been growing at roughly 4 percent per year. Group 2 is a cluster of countries with the downside of growing natural resources. Although most of them have been growing at the pace that the average region’s growth against how its countries have achieved much faster growth.

The added benefit of fast growth. After a decade of experience with investment climate reform, the region has seen significant improvements in the Doing Business rankings, especially in the area of investor protection and the legal and regulatory framework. The left panel of figure 3 shows changes in the Doing Business frontier over 2007–11. Since we presented these data in 2012, changes in the rankings have continued, so we have reposed these results in figure 3 in the same format as the previous year, with the exception of some countries that are not available in this year’s report.

The clusters move and merge in interesting ways. Group 1, the somewhat lackluster group that represents the average regional economy, positioned below average in terms of change (as opposed to position) on the reform scale, indicating a level of desire to address business environment and growth constraints. On this scale, the Group 3 consists of countries that struggle to position on the rankings. Certain economic indicators may be high performers in figure 2, emerge as exceptional frontiers and have been growing at roughly 4 percent per year. Group 2 is a cluster of countries with the downside of growing natural resources. Although most of them have been growing at the pace that the average region’s growth against how its countries have achieved much faster growth.

The added benefit of fast growth. After a decade of experience with investment climate reform, the region has seen significant improvements in the Doing Business rankings, especially in the area of investor protection and the legal and regulatory framework. The left panel of figure 3 shows changes in the Doing Business frontier over 2007–11. Since we presented these data in 2012, changes in the rankings have continued, so we have reposed these results in figure 3 in the same format as the previous year, with the exception of some countries that are not available in this year’s report.

The clusters move and merge in interesting ways. Group 1, the somewhat lackluster group that represents the average regional economy, positioned below average in terms of change (as opposed to position) on the reform scale, indicating a level of desire to address business environment and growth constraints. On this scale, the Group 3 consists of countries that struggle to position on the rankings. Certain economic indicators may be high performers in figure 2, emerge as exceptional frontiers and have been growing at roughly 4 percent per year. Group 2 is a cluster of countries with the downside of growing natural resources. Although most of them have been growing at the pace that the average region’s growth against how its countries have achieved much faster growth.

The added benefit of fast growth. After a decade of experience with investment climate reform, the region has seen significant improvements in the Doing Business rankings, especially in the area of investor protection and the legal and regulatory framework. The left panel of figure 3 shows changes in the Doing Business frontier over 2007–11. Since we presented these data in 2012, changes in the rankings have continued, so we have reposed these results in figure 3 in the same format as the previous year, with the exception of some countries that are not available in this year’s report.

The clusters move and merge in interesting ways. Group 1, the somewhat lackluster group that represents the average regional economy, positioned below average in terms of change (as opposed to position) on the reform scale, indicating a level of desire to address business environment and growth constraints. On this scale, the Group 3 consists of countries that struggle to position on the rankings. Certain economic indicators may be high performers in figure 2, emerge as exceptional frontiers and have been growing at roughly 4 percent per year. Group 2 is a cluster of countries with the downside of growing natural resources. Although most of them have been growing at the pace that the average region’s growth against how its countries have achieved much faster growth.

The added benefit of fast growth. After a decade of experience with investment climate reform, the region has seen significant improvements in the Doing Business rankings, especially in the area of investor protection and the legal and regulatory framework. The left panel of figure 3 shows changes in the Doing Business frontier over 2007–11. Since we presented these data in 2012, changes in the rankings have continued, so we have reposed these results in figure 3 in the same format as the previous year, with the exception of some countries that are not available in this year’s report.

The clusters move and merge in interesting ways. Group 1, the somewhat lackluster group that represents the average regional economy, positioned below average in terms of change (as opposed to position) on the reform scale, indicating a level of desire to address business environment and growth constraints. On this scale, the Group 3 consists of countries that struggle to position on the rankings. Certain economic indicators may be high performers in figure 2, emerge as exceptional frontiers and have been growing at roughly 4 percent per year. Group 2 is a cluster of countries with the downside of growing natural resources. Although most of them have been growing at the pace that the average region’s growth against how its countries have achieved much faster growth.

The added benefit of fast growth. After a decade of experience with investment climate reform, the region has seen significant improvements in the Doing Business rankings, especially in the area of investor protection and the legal and regulatory framework. The left panel of figure 3 shows changes in the Doing Business frontier over 2007–11. Since we presented these data in 2012, changes in the rankings have continued, so we have reposed these results in figure 3 in the same format as the previous year, with the exception of some countries that are not available in this year’s report.

The clusters move and merge in interesting ways. Group 1, the somewhat lackluster group that represents the average regional economy, positioned below average in terms of change (as opposed to position) on the reform scale, indicating a level of desire to address business environment and growth constraints. On this scale, the Group 3 consists of countries that struggle to position on the rankings. Certain economic indicators may be high performers in figure 2, emerge as exceptional frontiers and have been growing at roughly 4 percent per year. Group 2 is a cluster of countries with the downside of growing natural resources. Although most of them have been growing at the pace that the average region’s growth against how its countries have achieved much faster growth.
Investment levels may stand as a better measure of the success of the Bank Group’s investment climate efforts, where and how much to invest. Without this analytical level of granularity, investment also serves as an important means of private sector investment and how much to invest. Without this analytical level of granularity, the Bank Group’s investment climate efforts, where and how much to invest. Without this analytical level of granularity, the Bank Group’s investment climate efforts, where and how much to invest.

### Case Studies
- **Oman**
- **India**
- **Brazil**
- **Mexico**
- **China**
- **Russia**
- **South Africa**
- **Egypt**
- **Vietnam**
- **Middle East**
- **Latin America**
- **East Asia**
- **North Africa and the Middle East**
- **Sub-Saharan Africa**
- **Eastern Europe**
- **South Asia**
- **West Asia**
- **Central Asia**
- **Caribbean**
- **Global**

### References

## Conclusion
The analysis on the impact of the investment-driven economic growth process on the continent, Sub-Saharan Africa has gone from being home to the majority of the world’s poorest people to becoming a region where a majority of the world’s population live in poverty. This shift is significant, and it is likely that countries in Sub-Saharan Africa that have
Investment levels may stand as a better measure of investment climate reforms.

Conclusions

Investment also serves as an important means to evaluate how countries are performing with respect to the objectives of their investment climate reform efforts. Evaluating the effects of reforms can be a challenging task, as investment decisions are typically complex and influenced by a wide range of factors. The econometric literature has produced a wealth of evidence on the impact of investment climate reforms on investment decisions. However, the results are mixed, and the evidence is often not strong enough to draw clear conclusions.

One of the main challenges in evaluating the impact of investment climate reforms is the difficulty in isolating the effects of these reforms from other factors that may also influence investment decisions. This is especially true in Sub-Saharan Africa, where the region’s investment climate is often characterized by low levels of investment, high levels of corruption, and a lack of institutional capacity.

The impact of investment climate reforms on investment decisions is complex and multifaceted. It requires a comprehensive approach that takes into account the interconnectedness of various factors that influence investment. This approach should include a combination of policy analysis, empirical research, and stakeholder engagement. The results of this approach should be used to inform policy decisions and to guide the implementation of effective investment climate reforms in Sub-Saharan Africa.