

HOW TO BE BUSINESS FRIENDLY?

ECONOMIC DEVELOPMENT CONCEPTS



MARCH 6, 2018

PRESENTED BY:



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- 16+ years in strategy and implementation
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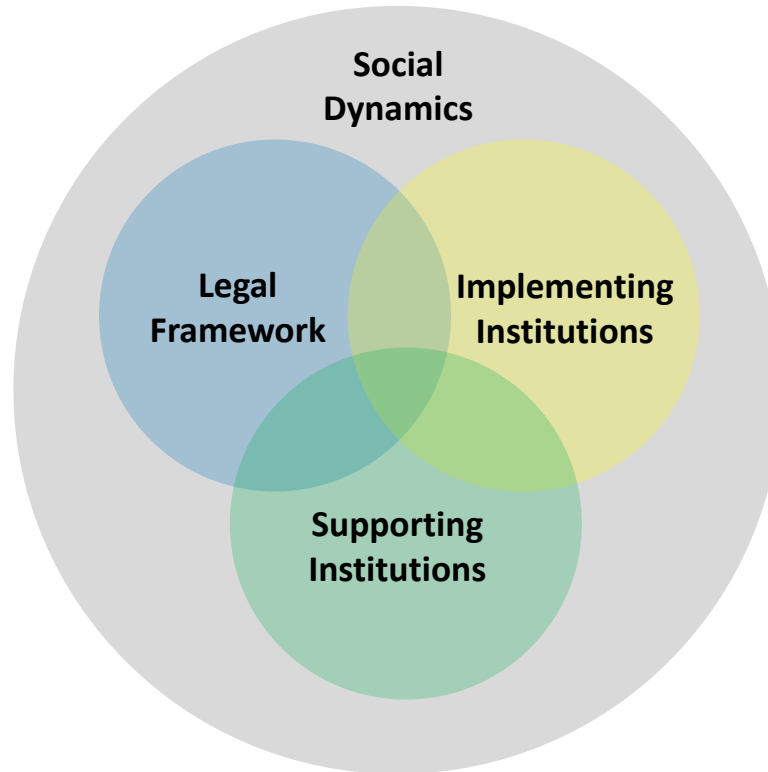
- 18+ years in strategy and marketing
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- MA, The George Washington University
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TOPICS

- Economic Growth vs. Economic Development
- Analytical Framework for Economic Development (360° Review)
- Competitiveness Indicators
 - Global
 - Municipal
 - Sectoral
- Analytics Quick Wins

Economic Growth
VS.
Economic Development

WE HAVE USED AN ACTION-ORIENTED FRAMEWORK TO ASSESS ECONOMIES



Description
<ul style="list-style-type: none"> ▶ Framework Laws – Basic legal documents that define and regulate the substantive rights, duties, and obligations ▶ Implementing Institutions – Governmental, quasi-governmental or private institutions in which primary legal mandate to implement, administer, interpret, or enforce framework laws and regulations is vested; ▶ Supporting Institutions – Governmental, quasi-governmental or private institutions that either support or facilitate the implementation, administration, interpretation, or enforcement of framework laws; and, ▶ Social Dynamics – Interplay of stakeholder interests within a given society or group that exert an influence over the substance, pace, or direction of commercial law reform.

THERE ARE FOUR BENEFITS TO VIEWING THE INDICATORS THROUGH THIS LENS

- **Benefit 1** Provides a clarifying lens from which to examine the challenges and to prioritize the initiatives
- **Benefit 2** Ability to assess the root causes with diagnostics that dig deeper into what is actually happening or not happening
- **Benefit 3** Allows for development, design and engagement of initiatives that can deliver real change
- **Benefit 4** Offers a rationalization for decisions on the prioritization of the change efforts and resource allocation

COMPETITIVENESS INDICATORS MEASURE AND TRACK CHANGES IN REGULATIONS



Competitiveness Indicators

1. Starting a business
 2. Dealing with construction permits
 3. Getting electricity
 4. Registering property
 5. Getting credit
 6. Protecting investors
 7. Paying taxes
 8. Trading across borders
 9. Enforcing contracts
 10. Resolving insolvency
- Time
 - Cost
 - Procedures
 - Paid-in Capital Minimum

US RANKS 6TH AFTER

Competitiveness Indicators

Indicators	US Rank	New Zealand
Overall	6	1
Starting a business	49	1
Dealing with construction permits	36	3
Getting electricity	49	37
Registering property	37	1
Getting credit	2	1
Protecting investors	42	2
Paying taxes	36	9
Trading across borders	36	56
Enforcing contracts	16	21
Resolving insolvency	3	32

COMPETITIVENESS INDICATORS CAN BE MEASURED AT A MUNICIPAL LEVEL

Competitiveness Indicators (Municipal)

Economic Dynamism

- Size of the Local Economy (as measured through business registrations, capital, revenue, and permits)
- Growth of the Local Economy (as measured through business registrations, capital, revenue, and permits)
- Capacity to Generate Employment
- Cost of Living
- Cost of Doing Business
- Financial Deepening
- Productivity
- Presence of Business and Professional Organizations

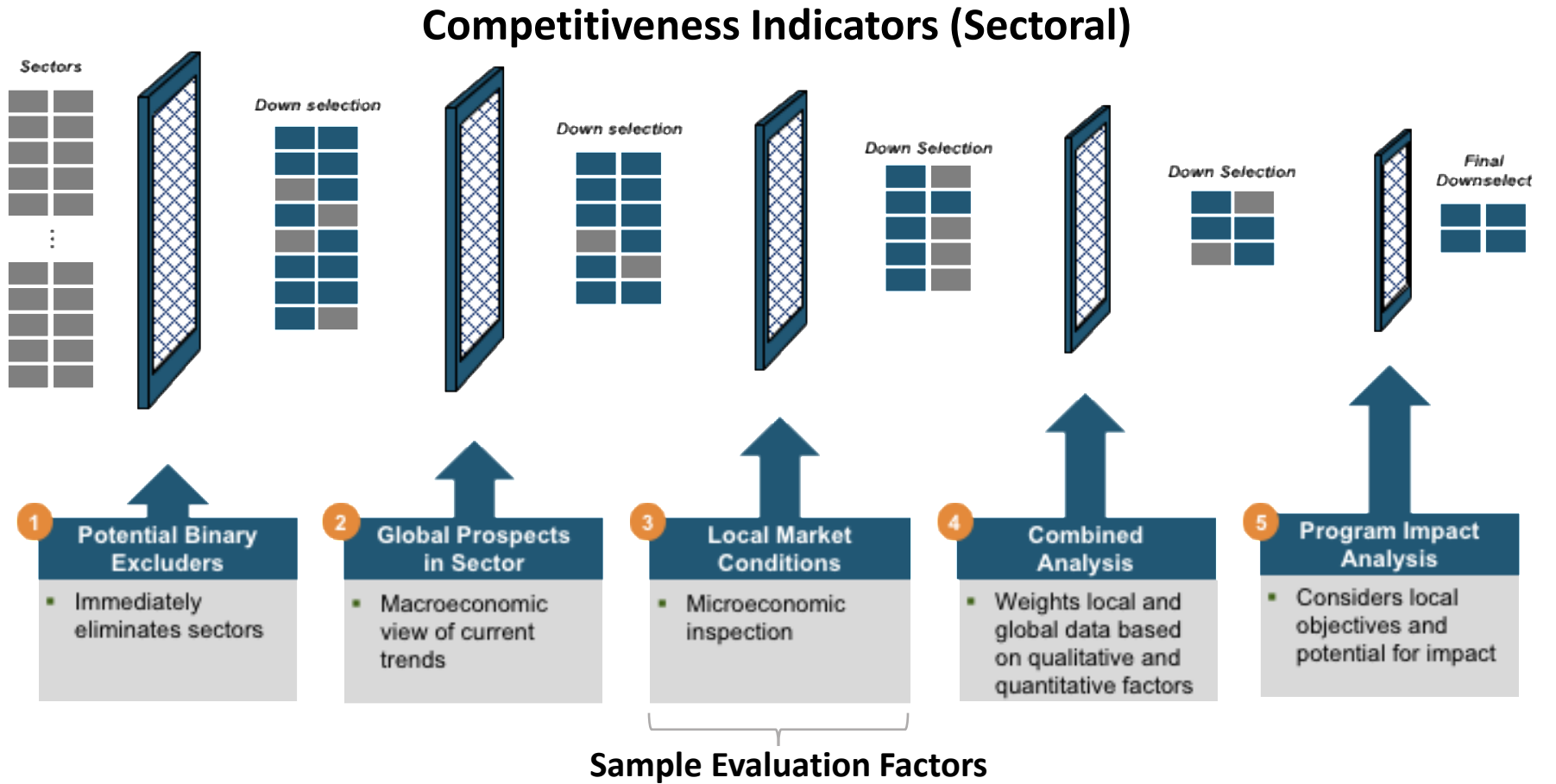
Government Efficiency

- Capacity of Health Services
- Capacity of Schools
- Security
- Business Registration Efficiency
- Compliance to standards
- Presence of Investment Promotions Unit
- Social Protection

Infrastructure

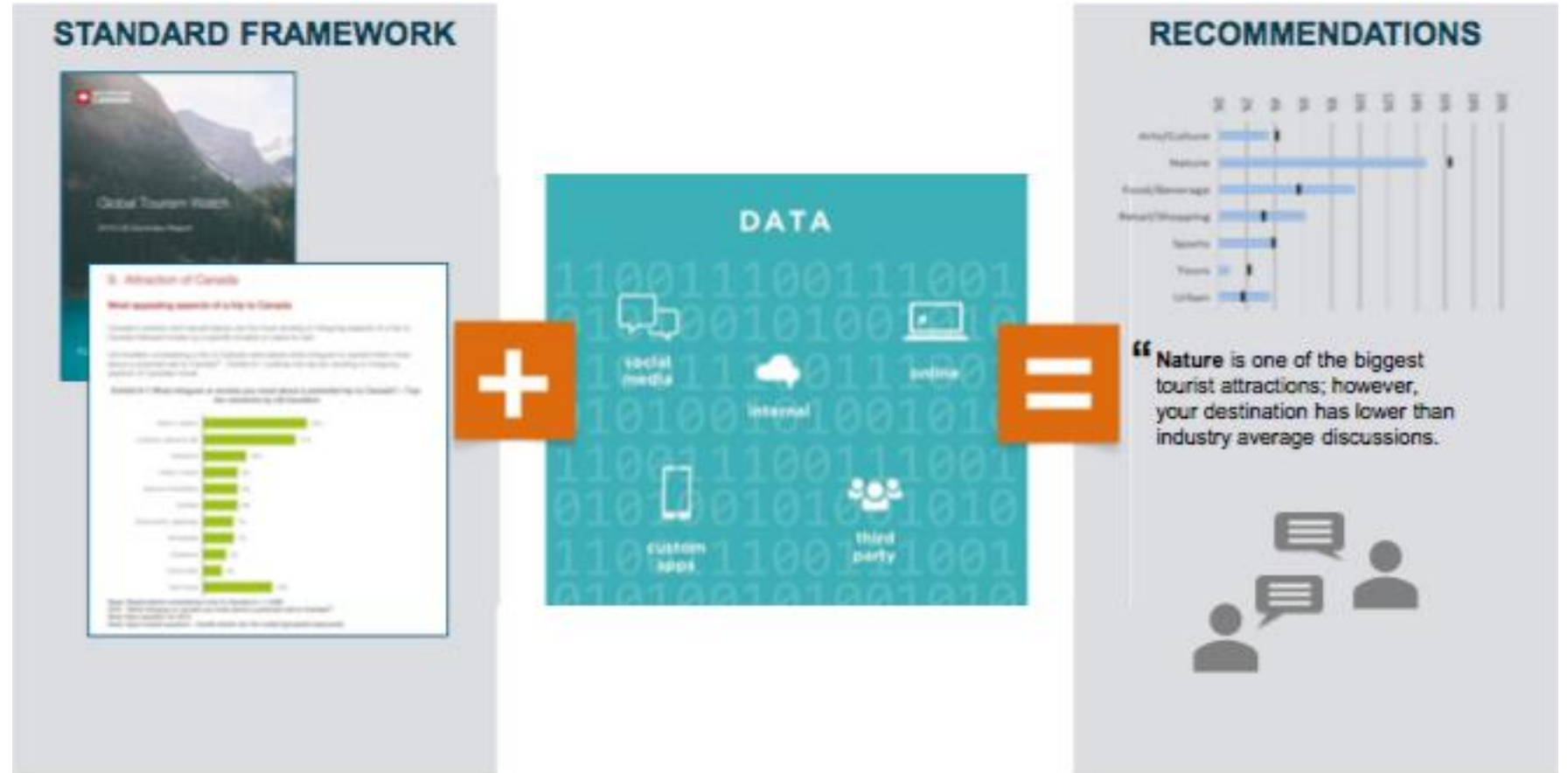
- Existing Road Network
- Distance from City/Municipality Center to Major Ports
- Accredited Accommodations
- Availability of Basic Utilities
- Annual Investments in Infrastructure
- Connection of ICT
- Number of Public Transportation Vehicles
- Health Infrastructure
- Education Infrastructure
- Number of ATMs

COMPETITIVENESS INDICATORS CAN BE MEASURED AT A SECTORAL LEVEL



Natural resources, community assets, human capital costs, job creation potential, multiplier impact, expected growth potential, export potential, etc.

ORGANIZATIONS INTERCONNECT ANALYTICS TO GET BEST INSIGHTS



SEVERAL TYPES OF DATA ARE USED TO CONDUCT ECONOMIC/TRAVEL AND TOURISM ANALYTICS

COMMON SOURCES

- Social media (e.g., Twitter, Facebook, Weibo, and Instagram)
- Online media (e.g., news sites, forums, blogs, and radio/TV casts)
- Custom mobile apps

OTHER SOURCES

- Industry reports
- Custom research
- Internal data (e.g., marketing reports, ad spend rates, response rates)
- Partner data (e.g., hotel occupancy, airfare costs, and flight tracking)

IN SUMMARY...

- Economic growth is different from economic development. Focus should be on economic development.
- There are several layers to economic development including: legal framework, implementing institutions, supporting institutions and social dynamics.
- There are a number of ways to measure competitiveness. The key is to understand and define local objectives.
- Can't improve what you can't measure. Once objectives have been clarified, measuring them is next step.
- Measurement need not be expensive or painful. There are efficient and affordable ways to gather data now.