

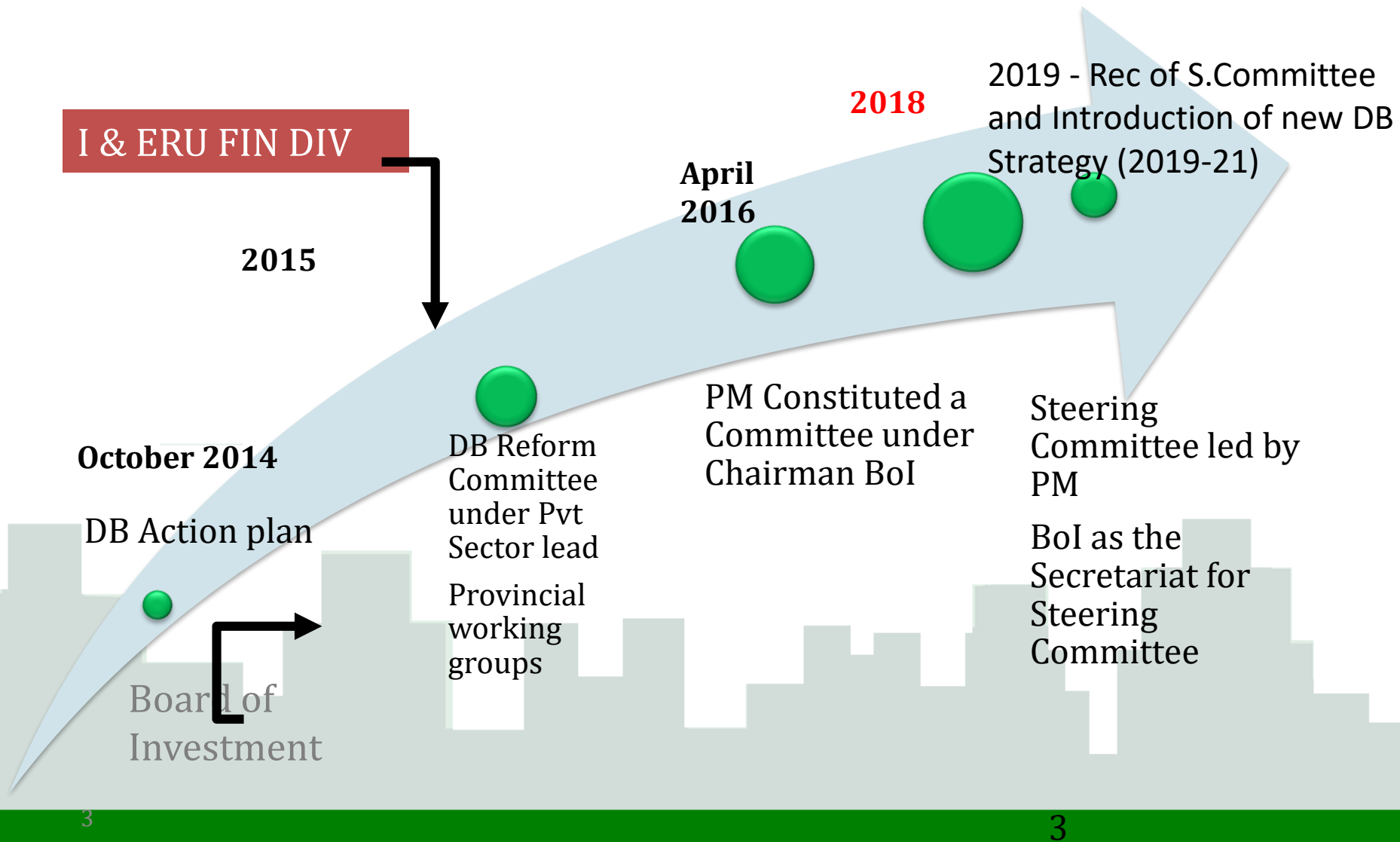
Reforms Completed for DB 2021



Pakistan's Reforms Trajectory



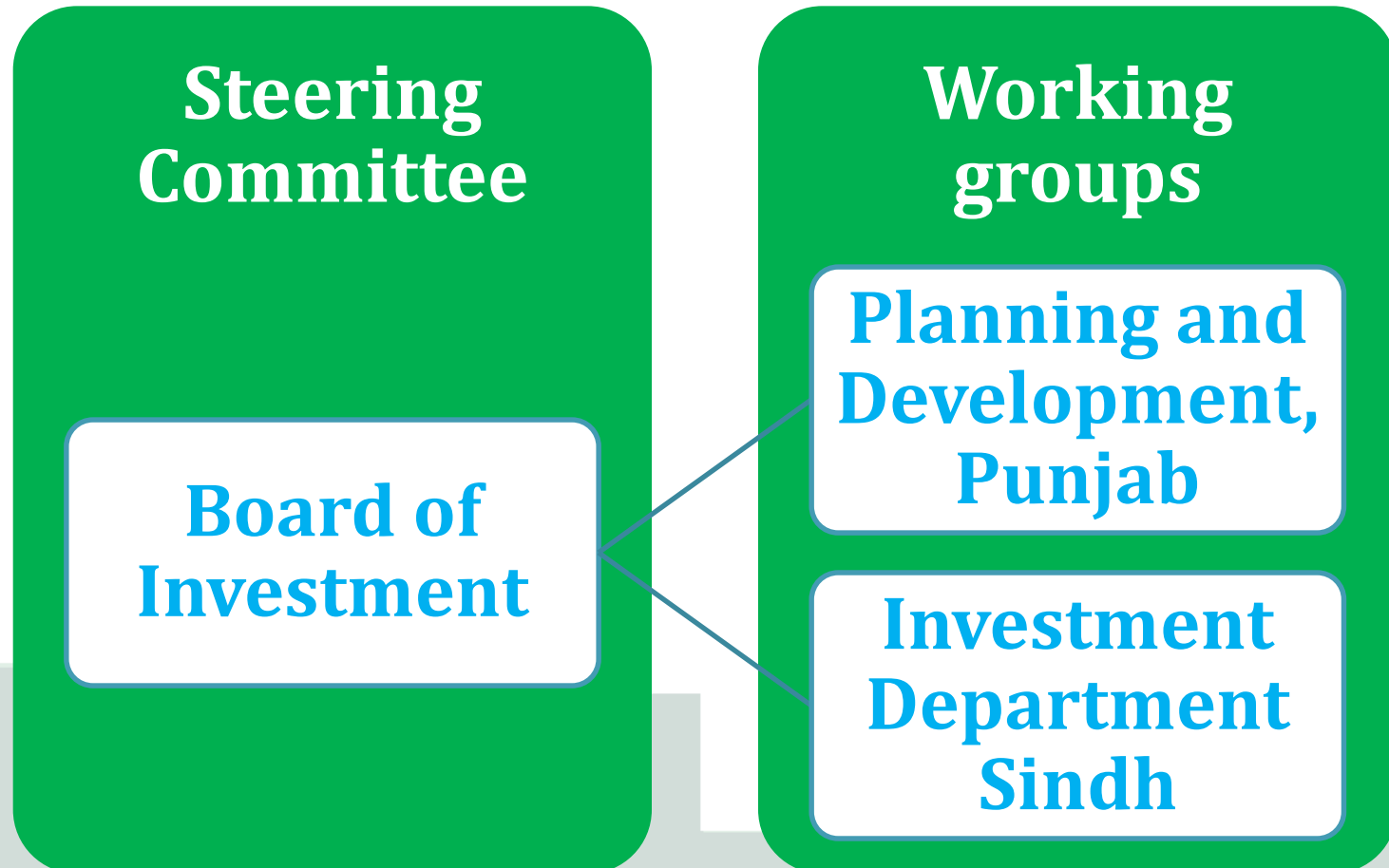
Pakistan's Reforms Trajectory



Steering Committee on Doing Business Reforms

- Prime Minister
- Finance Minister
- Advisor to PM on Investment
- Chairman, Bol
- Minister of State for overseas Pakistanis
- Chairman, Federal Board of Revenue
- Chairman, SECP
- Governor State Bank of Pakistan
- Secretary, Power Division
- Chief Secretary, Punjab
- Chief Secretary, Sindh
- Chief Secretary, KPK
- Chief Secretary, Baluchistan
- Secretary, Board of Investment

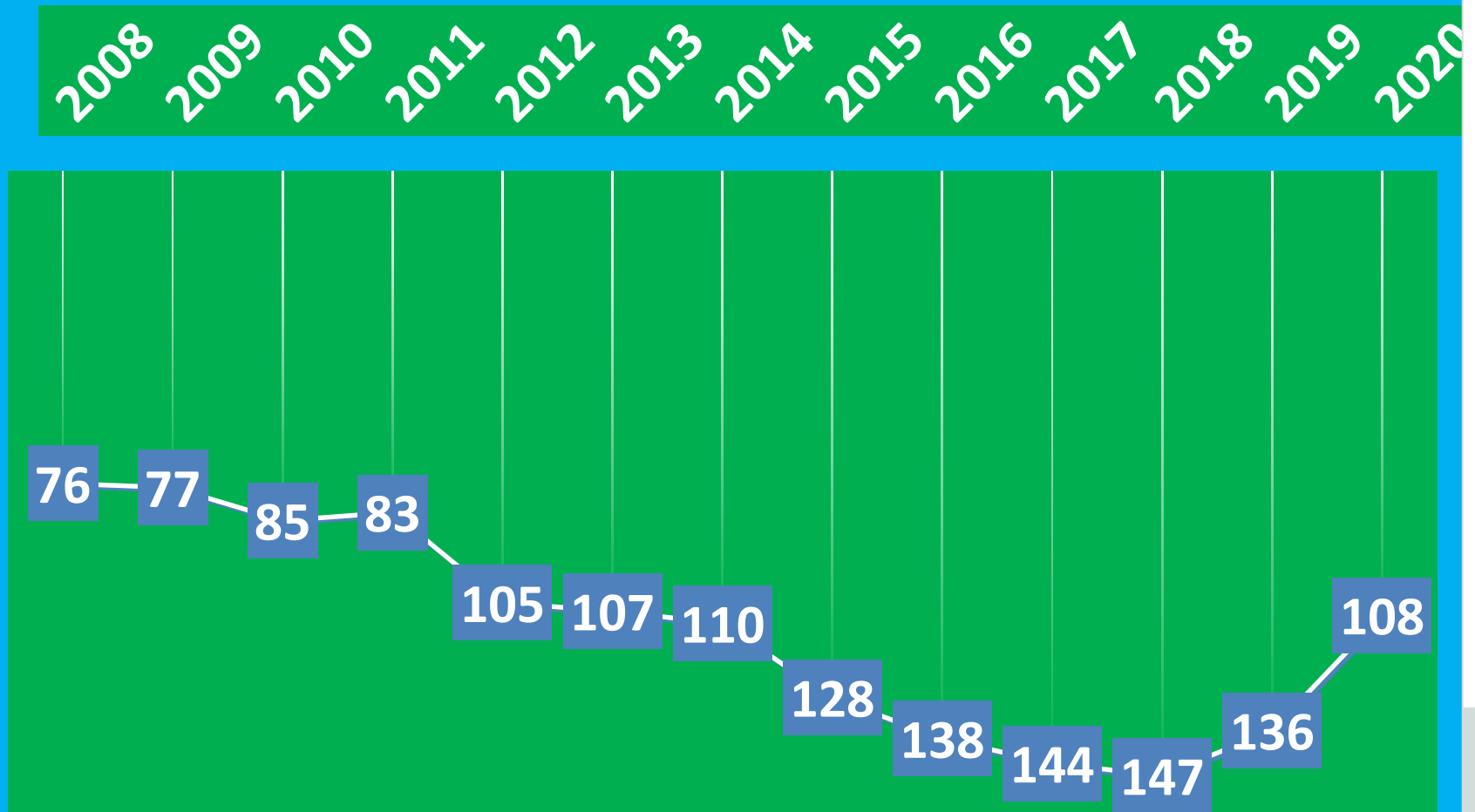
Current Mechanism



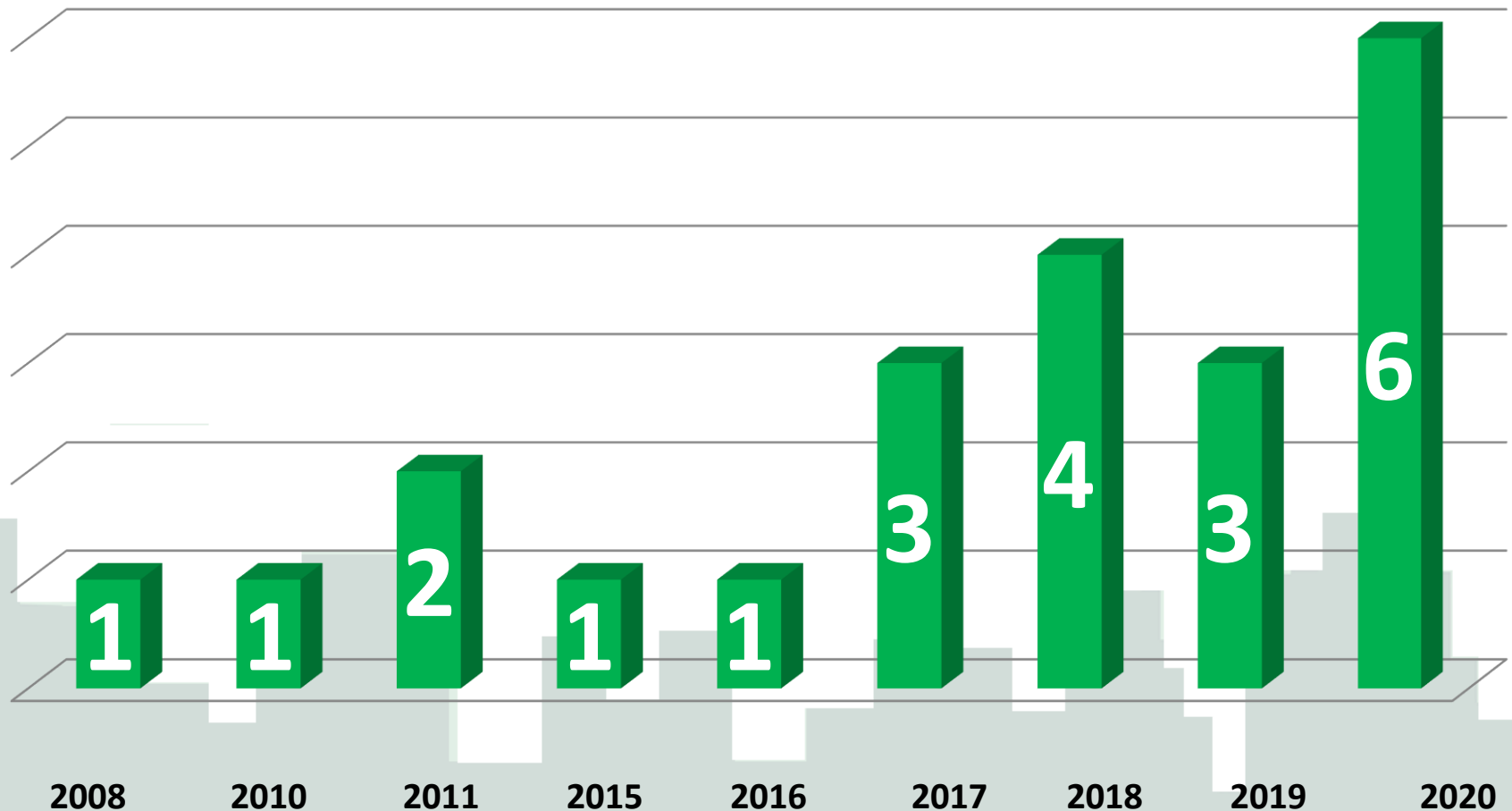
Pakistan's Performance Over the Years



Pakistan's Ranking



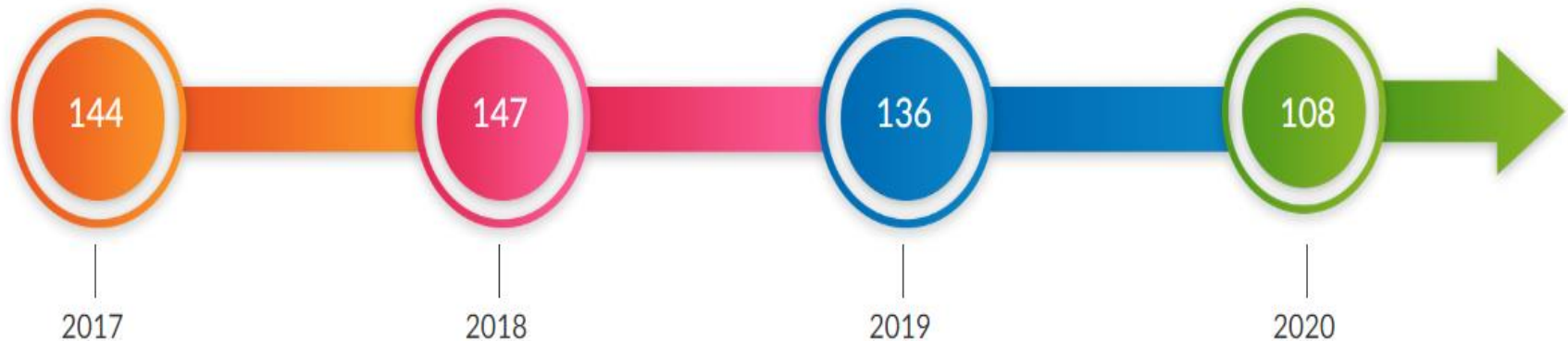
Reforms History of Pakistan



EASE OF DOING BUSINESS SCORE-2020



Doing Business Rank by Years



Doing Business Report 2020 Pakistan

- ✓ Pakistan has been awarded **6th** position among top reformers in the world
- ✓ Pakistan has secured no. **1** reformer position in South Asia

BOI leads the way!

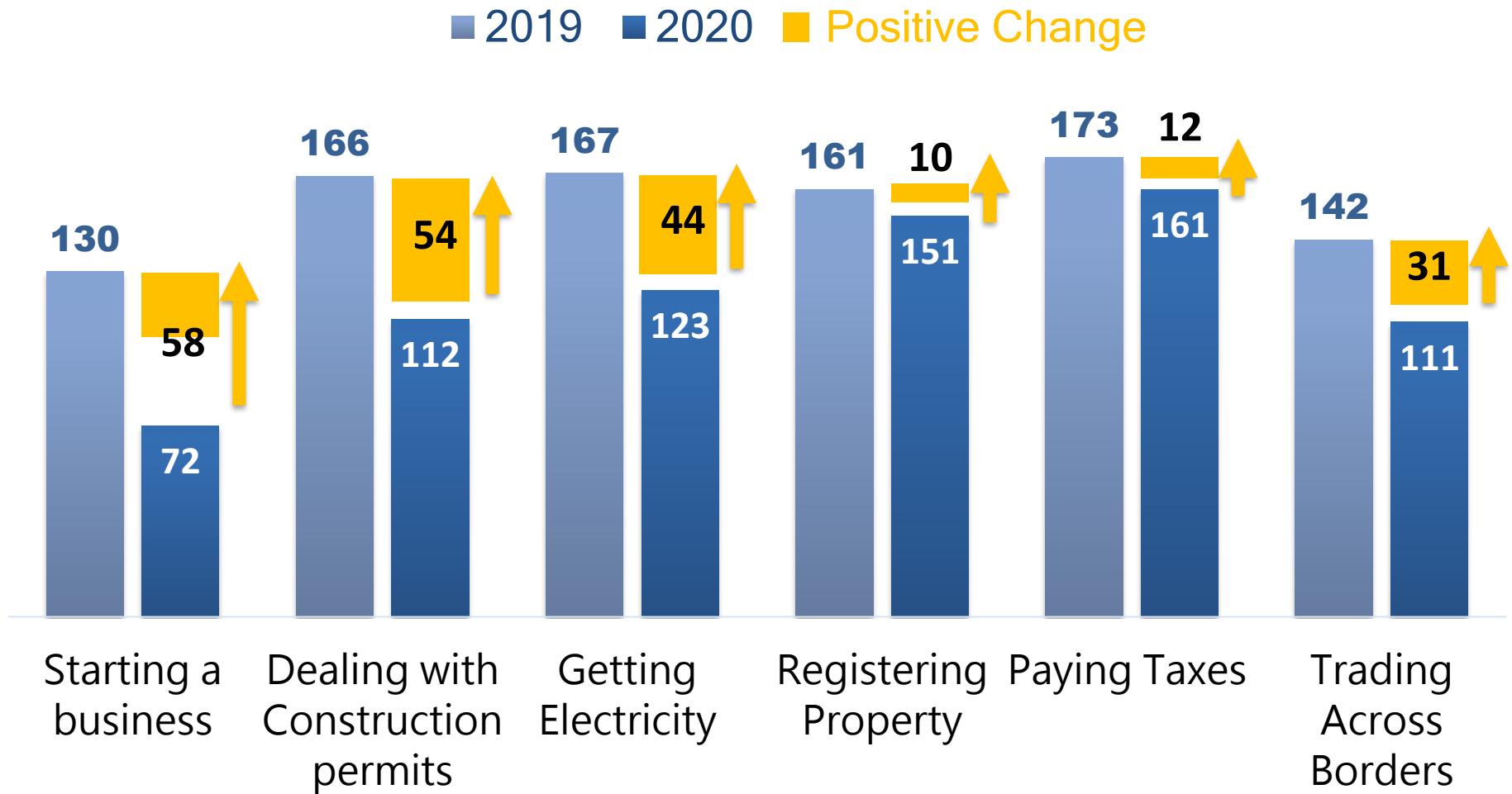
- ✓ Pakistan is No. **4** in big jumps on DB ranking scale and has improved **28** ranks (from 136th to 108th ranking)
- ✓ **6** reforms have been accepted by the **World Bank**, which is unprecedented.
- ✓ In term of DTF Pakistan has improved its score from **55.31** to **60.91**



PAKISTAN's RANKING

Indicator	Ranking		
	DB2019	DB2020	Difference (Ranking)
Overall	136	108	28
Starting a business	130	72	58
Dealing with Construction Permits	156	112	54
Getting Electricity	167	123	44
Registering Property	161	151	10
Getting Credit	112	119	-7
Protecting Minority Investors	26	28	-2
Paying Taxes	173	161	12
Trading Across Borders	142	111	31
Enforcing Contracts	156	156	0
Resolving Insolvency	53	58	-5

Unprecedented reforms in 6 indicators





First time since 2004 **Pakistan**
improved **28** ranks:

136 to 108 out of
190 countries



Target for DB 2021:

Pakistan in Top 90

Economies

Reforms Completed for DB 2021



Starting A Business (72/190)

Registration Certificates/Acknowledgments are being issued same day by SECP, FBR, EoBI, SESSI, PESSI, Excise & Taxation and Labor Department Punjab.

FBR has eliminated the requirement of physical inspection (at the time of registration) at the business location and the biometric appointment for obtaining STRN.

Waiver of fee by Labor Department Sindh.

Removal of Company Seal Requirement by SECP.

Registration in One day by Labor Department Sindh.



Dealing with Construction Permits (112/190)- Karachi

Integration of SBCA with Land Owning Agencies through automated software for obtaining proof of ownership

Time for procedure No. 1 (obtain letter from relevant land owning authority) reduced from 14 to 9 days

Time for procedure # 2 “Obtaining building permit” reduced from 30 to 15 days

Only two inspections are carried out by SBCA which will also save time on the part of investors.

Time for procedure No. 16 “Receive completion certificate from SBCA” reduced from 30 to 15 days



Dealing with Construction Permits (112/190)- Lahore

LDA has specified the time limit (45 days) for issuance of construction permit (Applicant can start construction if construction permit not received within 60 days).

Amendments in building by laws for outsourcing of inspections.

Removal of NOC requirement from EPA

Launched Mobile application for complaint registration.

Joint inspection of water & sewerage connection by WASA



Getting Electricity (123/190)

Number of days reduced from 73 to 49 in Lahore and from 134 to 73 in Karachi

Consumer Service Manual has been revised by NEPRA for further reduction of time (from 73 to 58 days), procedures (from 6 to 4), submission of wiring test report along with application and online payment of connection fee as per demand note.

Payment of Demand note has been automated

Registering Property (151/190)

Reduction in the time for procedure # 1 issuance of sale certificate from 14 to 7 days

Reduction in the time for procedure # 8. Execution and registration of the deed from 120 to 6 days.

Online availability of land disputes, complaint mechanism and procedural guide/videos on the websites of PLRA and BOR.

Introduce automation for online submission of applications



Paying Taxes(161/190)

Fully Automated Sales Tax e- Refunds (FASTER)

Pension contributions can be paid online to EoBI

Social Security Contributions can be paid online to PESSI

Corporate Income Tax rate is reduced from 24% to 23%

Online Social Security Payment to SESSI



Trading Across Borders(111/190)

Removal of requirement for price certificate by APTMA for exports of cotton

Introduced administrative measures to curtail use of port as a free storage area through introducing a scheme of penalty and charges to discourage extended use of port.

Online payment of all dues i.e., administrative fees, inspection and scanning fees etc.

E-Auction of containers (lying at the port) for reducing congestion at the port.



Getting Credit (119/190)

Notified Rules for Secured Transaction Registry

Operationalization of e-Registry for Movables

Amendments in Secured Transaction Act 2016 to improve score in Strength of Legal Right Index.

- Introducing notice based registry and unified/integrated registry
- Extension of security rights to after acquired assets
- Inclusion of all types of debts and obligations in collateral agreements
- Priority of creditors in case of insolvency/liquidation



Resolving Insolvency (58/190)

Notified Rules for Corporate Rehabilitation Act 2018

Notified Rules for Corporate Restructuring Companies Act 2016

Notified Panel of Provincial Managers and Official Liquidators Regulations, 2019 under Companies Act 2017.



Protecting Minority Investors (28/190)

Procedure of the Court and appeal amended to allow submission of application for discovery of documents or any category or classes of documents from the defendant (Section 6).

Threshold for members to give notice of resolution being reduced to 5% from 10% (Section 140).

Mandatory disclosure of remuneration package of directors and chief executive of a company is being introduced (Section 227).

Broadening the ambit of powers of the court to declare any transaction void, if it suffers from conflict of interest (Section 287).

Contract Enforcement(156/190)

Amendments in CPC in Punjab to observe time standards and to curtail adjournments

Introduction of designated courts for commercial cases by Lahore High Court in five big cities of Punjab including Lahore

Electronic Case Management System at Lahore

Punjab Government Introduced “The Punjab Alternate Dispute Resolution Act 2019” in October 2019

Punjab Government Introduced “ The Punjab Alternate Dispute Resolution Rules 2020”

Publication of Reports depicting details of decisions taken and pending in the district courts at Lahore & Karachi

The Code of Civil Procedure (Sindh Amendment) Bill, 2018 was passed by the Sindh Assembly in January 2019.

Ease of Doing Business Website





The Way Forward

- One portal for all business registrations.
- Account opening by SECP through e-Services in collaboration with banks.
- End to end automation for all types of Construction Permits.
- On line mechanisms for land registration.
- National one window for trading across borders.
- Fully automated regime for paying taxes/contributions/fees.

The Way Forward

- Integrated registry to improve access to credit to SMEs.
- Introduction of case management system in the courts.
- Simplification of procedures for resolving insolvency/liquidation and protecting minority investors.
- Rolling out on line application system for getting electricity.
- Data with regards to contracting with Governments” verified from concerned entities and existing gaps will be taken up with DB Team as data challenge.
- Replication of EoDB reforms all over Pakistan.

THANK YOU

