

**What are the ranking trends?**

- **India**, in 63rd place in the *Doing Business* rankings, is the highest ranked economy in South Asia, followed by **Bhutan** (89) and **Nepal** (94).
- The region's lowest ranked economies are **Bangladesh** (168) and **Afghanistan** (173).
- Other economies in the region and their rankings are **Sri Lanka** (99), **Pakistan** (108), and the **Maldives** (147).
- The region's economies perform best in the *Doing Business* areas of protecting minority investors (average rank of 77), getting credit (97), dealing with construction permits (98) and starting a business (99). Starting a business in South Asia takes 14.5 days on average, compared to 19.4 days globally.
- The areas where the region's economies underperform are paying taxes (average rank of 132), registering property (142), and enforcing contracts (145). For example, registering a property in South Asia takes 108 days on average, compared to the global average of 47 days.

What are the reform trends?

- With a total of 17 reforms, the region actively reformed its business environment for the third year in a row. The region retains an average of about two reforms per economy, in line with the highest pace on record.
- **India**, with four reforms, is among the top ten improvers for the third consecutive year. Another top reformer, **Pakistan**, with six reforms, improved the most in the region during the past year.
- Examples of regional reforms include:
 - **Bangladesh** made starting a business less expensive by reducing name clearance, registration fees and abolishing the fee for certifying digital certificates. As a result, the cost to register a company fell from 21.2% of income per capita to 8.7% of income per capita. Dhaka made getting electricity easier by increasing digitization and staffing at the utility and by reducing security deposits for new connections. For example, the time needed to obtain a new electrical connection dropped from 150 days to 124 days.
 - **India** made trading across borders easier by enabling post-clearance audits, integrating trade stakeholders in a single electronic platform, upgrading port infrastructures, and enhancing the electronic submission of documents. Thus, for instance, the time for export border compliance was reduced from 66 to 52 hours, and time for import border compliance was cut from 97 to 65 hours. India also made resolving insolvency easier by making reorganization the most likely in-court proceeding for insolvent companies. Further, India streamlined the process of obtaining a building permit and made it faster and less expensive to obtain a construction permit. Thus, the number of procedures required to obtain construction permits was reduced from 18 to 15 during the past year.
 - **Nepal** reduced the time and cost to export and import by opening the Integrated Check Post Birgunj at the Nepal-India border. For instance, the time to import border compliance was reduced from 58 to 11 hours, while time to export border compliance was cut from 30 to 11 hours. However, Nepal made starting a business more difficult by introducing an online employee registration with in-person follow-up for social security.
 - **Pakistan** made starting a business easier by expanding procedures covered by the online one-stop shop. Further, the Labor Department registration fee was abolished

in Lahore. Pakistan made obtaining a construction permit easier and faster by streamlining the approval process. Karachi made construction safer by ensuring that building quality inspections take place regularly and Lahore also improved the operational efficiency of its one-stop shop for construction permitting. The time required to obtain construction permits significantly was reduced from 285 days to 125 days during the past year. Also, Pakistan made getting electricity easier by enforcing service delivery time frames and by launching online portals for new applications. In addition, Pakistan increased the transparency of electricity tariff changes. Pakistan made paying taxes easier by introducing online payment modules for value-added tax and corporate income tax, and cut the corporate income tax rate. The number of payments necessary for a local medium-size company to pay all taxes per year was reduced from 47 to 34.

- **Bangladesh, India, Nepal and Pakistan** all reformed in one or more of the following areas: starting a business, dealing with construction permits and trading across borders.

Noteworthy items:

- The contracting with the government indicator, the latest area of research of the *Doing Business* study, benchmarks the efficiency, quality and transparency of public procurement system worldwide. It will be added to the *Doing Business 2021* study.
- This year, *Doing Business* includes three case studies that focus on:
 - prominent regulatory changes implemented by governments since the inception of the *Doing Business* study across four indicator sets (starting a business, getting credit, paying taxes and resolving insolvency).
 - the efficiency of public procurement worldwide.
 - the positive effects of flexible employment regulation for firms, which impacts job creation and productivity growth.

Rankings Data for South Asia

Economy	Rank (1–190)	Ease of doing business score (0–100)		# of Reforms	
	DB2020	DB2019	DB2020	DB2019	DB2020
Afghanistan	173	44.2	44.1	5	0
Bangladesh	168	42.5	45.0	0	3
Bhutan	89	66.0	66.0	1	0
India	63	67.5	71.0	7	4
Maldives	147	53.3	53.3	0	0
Nepal	94	59.7	63.2	0	4
Pakistan	108	55.5	61.0	3	6
Sri Lanka	99	61.8	61.8	4	0

Source: *Doing Business* database.

Note: The rankings are based on the average of each economy's ease of doing business scores for the 10 topics included in this year's aggregate ranking. This measure shows how close each economy is to global best practices in business regulation. A higher score indicates a more efficient business environment and stronger legal institutions.