

PM to meet chief ministers for better progress on EoDB

ISLAMABAD: Prime Minister Imran Khan has decided to meet with the four chief ministers this month to agree on actions required for improving ease of doing business (EoDB) to attract more investment, Board of Investment (BoI) Chairman Haroon Sharif told The News.

The government of Pakistan needs to meet the targets of EoDB by March this year, and in this regard a report has already been submitting to the World Bank on December 31, 2018, Sharif said. The PM had also held a meeting the other day to review the progress on EoDB.

“We need to meet the targets of EoDB by March 30, 2019, (and) responding to that, the prime minister stressed to hold the meeting with chief ministers to agree on actions required before this date,” he said. “After significantly reducing numbers of taxes/payments to 21, we would bring it down to 15 by the end of February 2019, and further down to a single-digit in two years.”

Most of the 21 payments were of the provincial governments, having to do with payments of sales taxes, Employees Old-Age Benefit Institution (EOBI), and corporate taxes, Sharif said, and added that work was being done to bring the number further down.

Simplification and consolidation of taxes/payments was a major demand of the investors. On the indicator of paying taxes, Pakistan was far behind at 173 among 190 economies of the world, according to the World Bank’s latest Doing Business Report 2019.

The BoI chairman said businesses could pay their taxes/payments online since December 30, 2018.

“We have submitted the progress report on ‘paying taxes’ to the World Bank last month, as it was our target to submit it by December 31, and the bank has acknowledged it,” he added.

Regarding remaining nine indicators of doing business, the government would submit its progress report to the World Bank by the end of March 2019.

Of them, getting consistent electricity supply was one of the indicators; the government would involve the minister for Power Division Omar Ayub Khan for resolution.

The PM, with the chief ministers, would also address the other indicator ‘contract enforcement’, which has to be executed by the judiciary with the Law Ministry.

It is worth mentioning that the World Bank’s report focused on only two major cities - Karachi and Lahore - of which the weight age of Karachi was 65 percent and Lahore was 35 percent. “Taking such action in Karachi is urgent, and we will target it first,” Sharif said.

Earlier, on December 13, 2018, the PM held a meeting on EoDB, which was followed by a second one recently. It was decided that to remove hurdles in investment, a monthly briefing would be taken from the BoI and other relevant departments regarding progress on EoDB.

“As BoI is working and in touch with 32 different federal/provincial departments on this target, we have asked the PM to set up an independent unit of EoDB on which prime minister has agreed,” the BoI chairman said.

It was also decided that dedicated EoDB offices would be set up at federal and provincial level for the purpose of removing bottlenecks and facilitating investors in the smooth business operations.

In the World Bank's recent Doing Business report 2019, Pakistan improved by 11 notches to 136 from last year's 147 from among 190 economies of the world.

According to the report, Pakistan was far behind on paying taxes and stands at 173 place (with 47 types of payments procedures), while on protecting minority investors, Islamabad was at 26 place among these economies of the world.

On resolving insolvency, Islamabad was at the 53rd place.

Other indicators, on which the country was well behind other economies, included getting electricity (167), dealing with construction permits (166), registering property (161), enforcing contracts (156), trading across borders (142), and starting a business, Pakistan is at 130th place among world economies under the bank's doing business report.

Israr Khan