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**In Washington, D.C.: In Pakistan:**

Nadine Ghannam Mariam Sara Altaf
Phone: +1 (202) 473-3011 Phone: +9251-2279641, extension 139
E-mail: nsghannam@ifc.org E-mail: mariamaltaf@worldbank.org

**Local Level Doing Business Reforms Can Enhance Pakistan’s Small and Midsize Firms**

**Islamabad, Pakistan, June 29, 2010**—Provincial and municipal level reforms in Pakistan are complementing nationwide reforms, finds *Doing Business in Pakistan* 2010, a joint IFC-World Bankreport released today.

The report studies business regulation in 13 Pakistani cities from the perspective of a small to midsize domestic firm. It benchmarks six regulatory areas—starting a business, dealing with construction permits, registering property, paying taxes, trading across borders, and enforcing contracts. The report also finds that despite the reforms, wide variation in local business regulation still exists.

Results show that doing business is easiest in Faisalabad. No single city performs well on all indicators, but all provinces have high performers in key areas. Sukkur stands first in terms of enforcing contracts. Islamabad and Peshawar are first and second respectively on starting a business. Quetta has been ranked second on paying taxes. The report highlights the need for improving doing business in Quetta and Hyderabad. Consistent reformers have outperformed others.

Cities can learn from each other’s best practices to implement simple, efficient, and accessible business regulations. For example, Lahore and Sialkot computerized their land records and reduced registration time by seven days. Peshawar is most expeditious in construction permit approval.

“By fostering peer-to-peer learning, *Doing Business* inspires government to reform business regulations,” said John Wall, Acting Country Director, World Bank, Pakistan. “It’s especially important in Pakistan, where small and midsize firms constitute 90 percent of all companies.”

The report builds upon the benchmarks set for six cities in a previously released report, *Doing Business in South Asia 2007*. Results show that all six cities benchmarked in 2007 implemented two or more national level reforms, and three cities implemented two or more local level reforms. National reforms implemented at the local level have benefited entrepreneurs in Lahore and Peshawar, where electronic and online services reduced the time to start a business to two days. Advanced data systems reduced the time to import into Karachi by half from 2006 to 2009.

*Doing Business in Pakistan 2010* was preparedat the request of Pakistan’s federal government in concurrence with four provincial governments. The Economic Reform Unit of Pakistan’s Ministry of Finance was the national government counterpart. Governments of Balochistan, Khyber Pakhtunkhwa, Punjab, and Sindh provided support in their provinces.

For more information, please visit [www.doingbusiness.org/pakistan](http://www.doingbusiness.org/pakistan) and [www.doingbusiness.org](http://www.doingbusiness.org).

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