

Introduction

Doing Business 2008 is the fifth in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. *Doing Business* presents quantitative indicators on business regulations and the protection of property rights that can be compared across 178 economies—from Afghanistan to Zimbabwe—and over time.

Regulations affecting 10 stages of a business's life are measured: starting a business, dealing with licenses, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business. Data in *Doing Business 2008* are current as of June 1, 2007. The indicators are used to analyze economic outcomes and identify what reforms have worked, where, and why.

The *Doing Business* methodology has limitations. Other areas important to business—such as a country's proximity to large markets, the quality of its infrastructure services (other than those related to trading across borders), the security of property from theft and looting, the transparency of government procurement, macroeconomic conditions or the underlying strength of institutions—are not studied directly by *Doing Business*. To make the data comparable across countries, the indicators refer to a specific type of business—generally a limited liability company operating in the largest business city.

Because standard assumptions are used in the data collection, comparisons and benchmarks are valid across economies. The data not only highlight the extent of obstacles to doing business; they also help identify the source of those obstacles, supporting policymakers in designing reform.

The data set covers 178 economies: 46 in Sub-Saharan Africa, 31 in Latin America and the Caribbean, 28 in Eastern Europe and Central Asia, 24 in East Asia and Pacific, 17 in the Middle East and North Africa and 8 in South Asia—as well as 24 OECD high-income economies as benchmarks. Some of the regions have been divided into subregions to generate a total of 13 regional profiles.

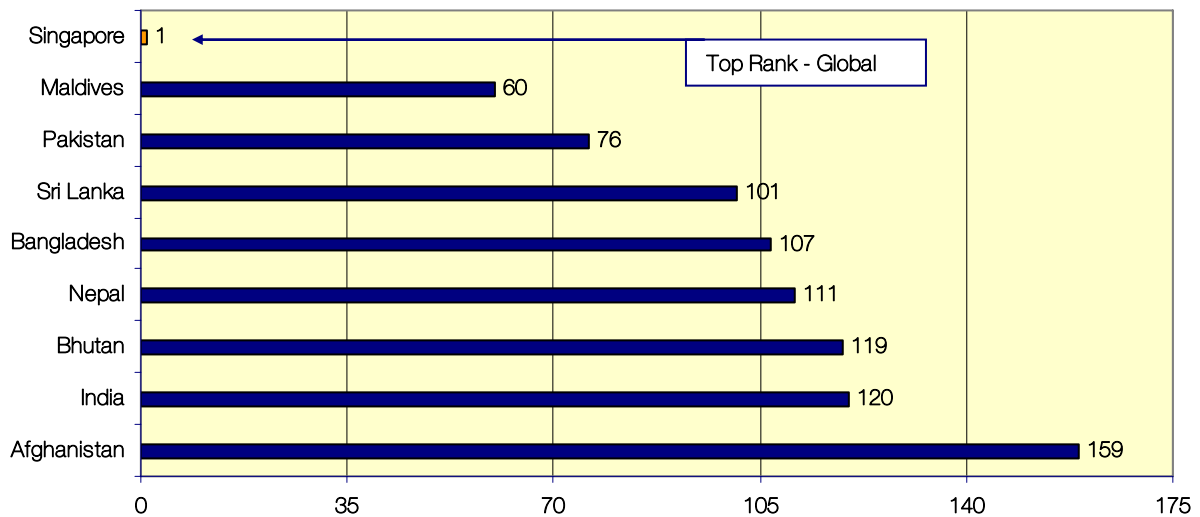
The following pages present the summary *Doing Business* indicators for South Asia. The data used for this regional profile come from the *Doing Business* database and are summarized in graphs. These graphs allow a comparison of the countries in each region not only with one another but also with the “best practice” country for each indicator.

The best-practice countries are identified by their position in each indicator as well as their overall ranking and by their capacity to provide good examples of business regulation to other countries. These best-practice countries do not necessarily rank number 1 in the topic or indicator, but they are in the top 5.

More information is available in the full report. *Doing Business 2008* presents the indicators, analyzes their relationship with economic outcomes and recommends reforms. The data, along with information on ordering the report, are available on the *Doing Business* website (<http://www.doingbusiness.org>).

Economy rankings—ease of doing business South Asia—compared with global best practice

Ranking on the ease of doing business

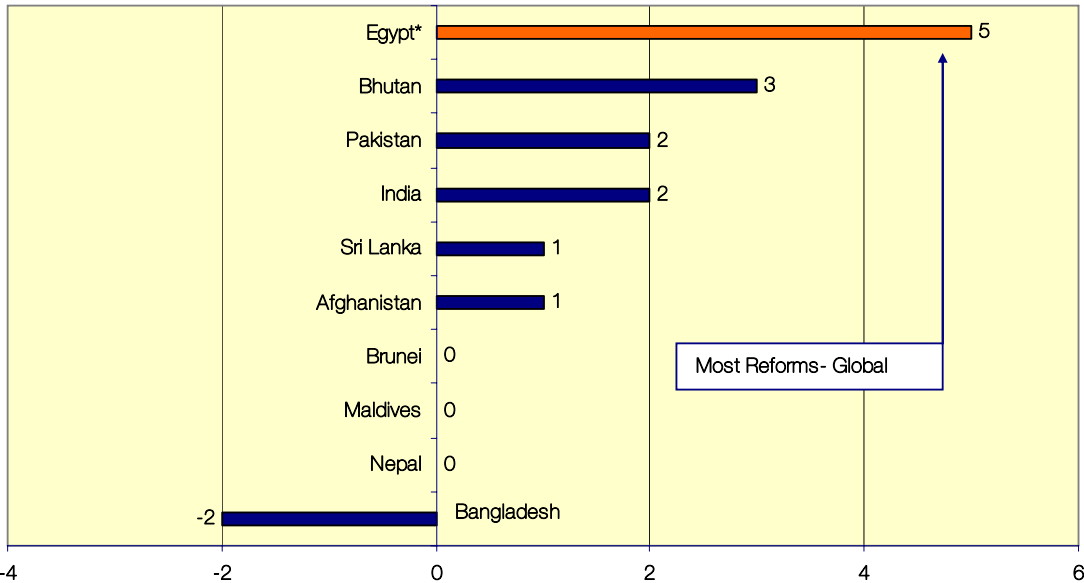


Note: The ease of doing business index averages economy rankings on the 10 topics covered in *Doing Business 2008*.

Source: *Doing Business* database.

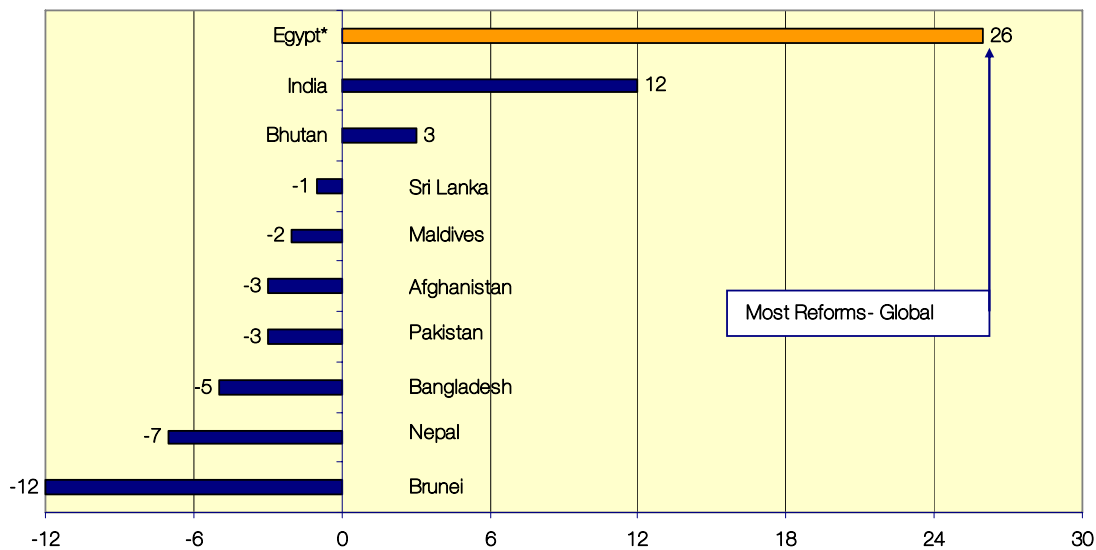
Reforms—who is reforming? South Asia—compared with global best practice

Net number of reforms improving a set of *Doing Business* indicators



Source: *Doing Business* database

Change in ranking on the ease of doing business



Source: *Doing Business* database

*The top reformer is determined on the basis of the number of reforms implemented by the economy and the change in its ranking on the ease of doing business between *Doing Business 2007* and *Doing Business 2008*.
 Note: The method for counting net reforms is as follows. A value of 1 is assigned when an economy introduces a reform that improves its performance on one of the sets of *Doing Business* indicators between 2006 and 2007. For example, if an economy reforms to reduce the procedures and time to start a business and the cost to register property, it is recorded as having two reforms: one to the set of indicators on starting a business and one to the set on registering property. Negative reforms are counted similarly. To count net reforms, both positive and negative reforms are added.