

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 2386
ANSWERED ON 10/12/2024

ECONOMIST INTELLIGENCE UNIT

2386. SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:
SHRI SUDHEER GUPTA:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether Economist Intelligence Unit (EIU) has recently ranked India as third most improving country with respect to business environment following strides made in foreign trade, exchange controls and tax regime etc. and if so, the details thereof;
- (b) the details of parameters/indicators in different categories including political environment, market opportunities policy towards free enterprises and cooperation etc., on which EIU Index measures the attractiveness of business environment in the country;
- (c) whether the Government has held any consultation/deliberations with private players and various other stakeholders to improve business environment in the country;
- (d) the details of other measures taken/being taken by the Government for doing ease of business and provide conducive environment to attract business in the country; and
- (e) the manner in which the said report of EIU will help in making India a developed nation by 2047?

ANSWER

वाणिज्य और उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) The Economist Intelligence Unit (EIU) is the research and analysis division of the Economist Group, which is an independent research and print media. Based on their research exercise, it has recently come up with EIU's Business Environment Ranking. In their ranking, India has been ranked as the third most improving country with respect to business environment following strides made in foreign trade, exchange controls and tax regime etc.

(b) As per the publicly available brief report, the EIU's Business Environment Index measures the attractiveness of the business environment in 82 countries and territories, examining 91 indicators spread across 11 different categories. The categories include parameters

such as the political environment, the macroeconomic environment, market opportunities, policy towards free enterprise and competition, policy towards foreign investment, foreign trade and exchange controls, taxes, financing, the labour market, infrastructure and technological readiness. Each of the 91 indicators is scored on a scale from 1 (very bad for business) to 5 (very good for business), and there is a mix of quantitative and qualitative questions. Scores are awarded both for the preceding five years and for the next five years.

(c) The Ministry of Commerce and Industry frequently consults and collaborates with diverse stakeholders, including private sector participants, to develop key policy reforms aimed at improving the business environment in the country.

(d) The Department for Promotion of Industry and Internal Trade (DPIIT) plays a crucial role in coordinating initiatives aimed at enhancing the Ease of Doing Business (EoDB) in India. These efforts are designed to create a more favorable business environment, attract investments, and stimulate economic growth by reducing bureaucratic obstacles and streamlining regulations. The DPIIT oversees several key initiatives, including FDI policy reforms, National Single Window System (NSWS), the Business Reform Action Plan (BRAP), the B-Ready assessment, Jan Vishwas Act, and the Reducing Compliance Burden on Businesses and Citizens program.

(e) Government incorporates insights from various such relevant academic studies to shape policies and programs, including India's Vision 2047. Further, Government of India is currently monitoring select global indices under Global Indices for Reforms and Growth (GIRG) initiative. However, this “EIU’s Business Environment Index” report is not part of the GIRG initiative.
