

**BRIEF FOR THE MEETING ON REGULATORY GUILLOTINE**

The Prime Minister of Pakistan has constituted National Coordination Committee on SME in order to promote the growth of SME sector in Pakistan. One of the tasks planned for facilitating SMEs is the under taking of “Regulatory Guillotine” activity. This terminology pertains to a specific process which is used for fast track cataloging of regulations and eliminating unnecessary, duplicate or primitive regulations / requirements. This methodology has been developed and trademarked by M/S J.C.Associates (company registered in United States). It requires the promulgation of a special law, the establishment of a central registry and constitution of separate review groups by the private sector as well as in the public sector.

2. As the Board of Investment is already under taking regulatory reforms under the banner of Pakistan Regulatory Modernization Initiative (PRMI), the Prime Minister was please to assign this responsibility to BOI as well. The MOS/Chairman BOI & the Secretary BOI have also been notified as members of the National Coordination Committee on SME.

3. Accordingly, BOI formulated a plan to undertake regulatory guillotine activity and presented it to the Federal Minister for Industries & Production for concept clearance. The Minister for Industries & Production, after detailed deliberations, has been pleased to approve the concept and the plan of action relating there to.

4. The Board of Investment (Secretariat of PRMI) after consultations with its consultants, has added regulatory guillotine activity to the draft strategy document for PRMI, which has been shared with all members of the Steering Committee for their review & feedback. During a review meeting held on 24<sup>th</sup> March, 2021 this development was shared with senior leadership of PRMI Steering Committee.

5. Discussions took place in which some participants were not convinced that adopting regulatory guillotine methodology was the best way forward. However, some other participants were of the opinion that the regulatory guillotine activity can be under taken alongside other scheduled PRMI activities. After discussion it was decided to hold a consultative session with the Federal Minister for Industries & Production and his team to review the proposed regulatory guillotine methodology from all aspects & to decide a way forward.

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