

# Assessment Report of States and UTs under BRAP Released

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**Context** - Union finance minister Nirmala Sitharaman released the assessment report of the states and union territories under 'Business Reforms Action Plan (BRAP), 2020'.

The report categorizes states into top achievers, achievers, aspires, and emerging business ecosystems, as against the earlier practice of announcing ranks.

## **Key Highlights**

- In view of this, Andhra Pradesh, Gujarat, Telangana, Haryana, Karnataka, Punjab and Tamil Nadu are the states categorized as 'top achievers' in the rankings as per the plan.
- Further, Himachal Pradesh, Madhya Pradesh, Maharashtra, Odisha, Uttarakhand and Uttar Pradesh have been categorized as 'achievers'.
- The 'aspires' category too includes seven states – Assam, Kerala, Goa, Chhattisgarh, Jharkhand, Kerala, Rajasthan and West Bengal.
- In the category of 'emerging business ecosystems', there are 11 states and UTs, including Delhi, Puducherry and Tripura.
- Andaman and Nicobar, Bihar, Chandigarh, Daman and Diu, Dadra and Nagar Haveli, Jammu and Kashmir, Manipur, Meghalaya, Nagaland, and Tripura are the other states and UTs in this section.
- According to secretary in the Department for Promotion of Industry and Internal Trade (DPIIT) Anurag Jain, the new categorisation method was used as the difference

between various states/UTs was so little that it did not make sense to rank them.

- According to the ministry of commerce and industry, the BRAP report includes 301 reform points that cover 15 business regulatory areas such as access to Information, single window system, labour, environment, sectoral reforms and other reforms spanning across the lifecycle of a typical business.
- Sectoral reforms have been introduced for the first time in BRAP 2020 wherein 72 reforms were identified across 9 sectors, namely, trade license, healthcare, legal metrology, cinema halls, hospitality, fire NOC, telecom, movie shooting and tourism, the Ministry said.
- DPIIT has been releasing such reports since 2014 for steering business reforms to create an investor-friendly ecosystem across the country. So far four editions of the assessment have been released, and the latest edition was for the 2020 assessment.

### About BRAP

- Ranking of States is based on the implementation of the Business Reform Action Plan started in the year 2015. One “major change” in the current rankings is the government’s decision to link the state’s performance “exclusively” to user feedback.
- The Business Reform Action Plan 2018-19 includes 180 reform points covering 12 business regulatory areas such as Access to Information, Single Window System, Labor, Environment, etc.
- The larger objective of attracting investments and increasing Ease of Doing Business in each State was sought to be achieved by introducing an element of healthy competition through a system of ranking states based on their performance in the implementation of the Business Reform Action Plan.