PROJECT DATA SHEET

Project Data Sheets (PDS) contain summary information on the project or program: Because the PDS is a work in progress, some information may not be included in its initial version but will be added as it becomes available. Information about proposed projects is tentative and indicative.

PDS Creation Date	–
PDS Updated as of	16 Oct 2007

Project Name	SME Sector Development
Country	Pakistan
Project/Program Number	34327-012
Status	Approved
Geographical Location	Pakistan

In preparing any country program or strategy, financing any project, or by making any designation of, or reference to, a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

Sector and/or Subsector Classification	Industry and trade / Small and Medium Enterprise Development
Thematic Classification	Governance
Gender Mainstreaming Categories	–

FINANCING

Type/Modality of Assistance	Approval Number	Source of Funding	Approved Amount (US$ thousand)
Technical Assistance	3835	-	0
TOTAL			**US$ 0**

SUMMARY OF ENVIRONMENTAL AND SOCIAL ISSUES

Environmental Aspects

–

Involuntary Resettlement

–

Indigenous Peoples

–

STAKEHOLDER COMMUNICATION, PARTICIPATION, AND CONSULTATION

During Project Design

–

During Project Implementation

–

DESCRIPTION

The goal of the TA is to support an enabling environment for SMEs and increase their potential as catalysts for pro-poor growth and employment. The TA will (i) develop options and agree with the Government and stakeholders on specific policy and institutional reforms, including an SME friendly licensing and regulatory regime; and (ii) develop models for BDS and financial services customized to the needs of SMEs, to be implemented under an ensuing Sector Development Program (SDP). The TA will comprehensively review SME issues and design a few well-sequenced priority measures for the SME SDP in coordination with Government stakeholders, the private sector, and the assistance community. To ensure this the implementation is structured in three phases: (i) broad analysis and identification of design alternatives, (ii) detailed design of agreed priority components, and (iii) pilot testing and final design. At the end of phase 1, a workshop will be held to build awareness and to agree with Government decision makers on the basic design. After approval by the Government and ADB, phase 2 will develop the detailed policy agenda, and design the capacity building, financial and business service components to be implemented under the SDP. Prior to field-testing in phase 3, the phase 2 outputs will be reviewed and endorsed by the Government, ADB, and other stakeholders.

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

–

DEVELOPMENT IMPACT

–

PROJECT OUTCOME

Description of Outcome	Progress Towards Outcome
–	–

OUTPUTS AND IMPLEMENTATION PROGRESS

Description of Project Outputs	Status of Implementation Progress (Outputs, Activities, and Issues)
–	–

BUSINESS OPPORTUNITIES

Date of First Listing	11 Dec 2006
Consulting Services	The consulting services will cover the following tasks (Terms of Reference attached below): (i) Government administration and policies, including (a) identify and propose amendments of rules adversely affecting SMEs; (b) develop effective measures reducing Government interference; (c) review domestic law, policy, and practice to effectively enhance labor and industry standards for SMEs, and recommend steps for improvement based on Government and ILO work, and good practice in developing countries; and (d) review domestic law, policy, and practice to enhance minimum environmental standards for SMEs, and recommend steps for improvement based on good practice in developing countries; (ii) financial sector policies and development, including (a) analyze current prudential regulations and credit policies, and propose modifications supporting sound lending to SMEs; (b) review the current scope and viability of services offered by financial institutions to SMEs, including lending, leasing, and venture capital; analyze unmet needs, and develop financial service model products to be offered by financial service model products to be offered by financial institutions; (c) review institutional options including the medium-term privatization of SME Bank; analyze issues to be addressed; and prepare detailed plans for its restructuring, capacity building, and service delivery ; (d) analyze the feasibility of establishing a credit guarantee institution; and (e) determine criteria and detailed arrangements for the participation of financial institutions in an investment component under the SDP, possibly covering banks, nonbank financial institutions, leasing companies, and venture capital funds; and (iii) SME business support, including (a) conduct a needs analysis, identifying approach per service segment, financing needs, financial viability, and performance measurements for BDS; (b) analyze the role and performance of existing SME promotion agencies, and private/nongovernment organization service providers, include an analysis of SMEDA's role, its achievements, and a strategy and action plan for implementation under the SDP (c) propose options for developing and stimulating a market for BDS; and (d) develop a business plan, including detailed terms of reference to facilitate the establishment of a market for BDS, and train providers to accomodate to various needs of SMEs.
Procurement	None.
Procurement and Consulting Notices	http://www.adb.org/projects/34327-012/business-opportunities

TIMETABLE

Concept Clearance	25 May 2001
Fact-finding	26 Nov 2001 to 11 Dec 2001
Management Review Meeting	–
Approval	14 Feb 2002
Last Review Mission	–

MILESTONES

Approval No.	Approval	Signing	Effectivity	Closing		
				Original	Revised	Actual
Technical Assistance 3835	14 Feb 2002	05 Mar 2002	05 Mar 2002	31 Mar 2003	31 Oct 2004	–

TA AMOUNT (US$ THOUSAND)

Approval Number	Approved Amount	Revised Amount	Total Commitment	Uncommitted Balance	Total Disbursement	Undisbursed Balance
Technical Assistance 3835	800	800	800	0	800	0

CONTACTS AND UPDATE DETAILS

Responsible ADB Officer	Rainer Hartel (rhartel@adb.org)
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Public Management, Financial Sector and Trade Division, CWRD
Executing Agencies	Min of Industries,Production_& Special Initiatives

LINKS

Project Website	http://www.adb.org/projects/34327-012/main
List of Project Documents	http://www.adb.org/projects/34327-012/documents