Inception report ready for stakeholder review

Design and implementation of interventions in consultation with the relevant stakeholders is crucial for the success of any development project. In this connection the European Union funded GRASP project was provided a nine months inception phase to conduct deeper consultations with the stakeholders from public sector, private sector, civil society and academia. Beginning in June 2019, ITC conducted bilateral consultations with relevant stakeholders and organized consultative seminars to identify potential products/value chains for intervention. The consultations also focused on identifying issues across the value chains to develop an integrated approach to address those issues at macro, meso and micro levels. Market surveys, value chain analysis, production hubs and other relevant areas affecting the value chains were explored and a coherent, inclusive and research oriented set of interventions based on stakeholder’s inputs was framed in the form of an inception report. Regulatory reform, market analysis, gender mainstreaming and environmental sustainability are the basic building blocks of the targeted interventions. To deliver focused interventions, GRASP will follow a phased implementation approach in ten districts of Balochistan and eleven districts of Sindh province in priority products of livestock and horticulture.

After review of the first draft of the inception report by the Delegation of the European Union to Pakistan, it is being finalized, which will be presented before the three project steering committees comprising of members from public sector and private sector established under GRASP before initiation of the implementation phase.
Emergency response plan finalized to support farmers and MSMEs

In light of the COVID-19 pandemic, emergency work plans were developed to update project interventions, in order to better align development efforts with the evolving socio-economic conditions. The plan for Sindh was finalized after consultation with Government of Sindh, GRASP core partners, Delegatation of the European Union to Pakistan and project steering committees. Implementation of this plan will support rural MSMEs, farmer and producer groups, women livestock farmers and agribusiness support organisations to mitigate the impact of COVID-19 on their businesses and livelihoods. It will also facilitate their access to financial mechanisms and build capacity of markets to operate safely. Awareness raising of MSMEs in Sindh will be done on applying for government financing schemes and policies such as the Ehsas Programme, SBP refinancing scheme for payment of wages and salaries. The districts selected for COVID-19 response are Karachi, Thatta, and Khairpur. As the pandemic has severely impacted the small farmers and MSMEs in Balochistan as well, GRASP project will try to provide immediate support to farmers, FMCs and MSMEs in the form of critical inputs, awareness raising on hygiene at market committees level, grants for early recovery of selected businesses and provision of animal and poultry feed. GRASP will also support the outreach of local partner organizations to understand the immediate needs of MSMEs in the selected districts. The districts selected for the COVID-19 response in Balochistan are Pishin, Kharan, Nushki and Quetta. A rapid need assessment of the stakeholders in the region was carried out. GRASP is also conducting a study on the impact of COVID-19 on agribusinesses in Balochistan in collaboration with University of Balochistan. The survey will be completed by the end of June and shared with stakeholders for creating a body of knowledge around COVID-19 and its impact on rural economies.

The pandemic is likely to severely affect women producers and women entrepreneurs as they have higher levels of economic vulnerability and exposure to other risks. GRASP will provide emergency support to women producers and female farmers’ groups. Specifically, GRASP will provide targeted support to ensure that rural women can continue their activities, and are able to produce and care for their livestock. In Sindh, GRASP will offer rehabilitation packages to women livestock farmers, which includes vaccination camps and animal feed packages for their livestock, and input packages with seed and fertilizer for those in the horticulture sector. In Balochistan, with its partner, the Food and Agriculture Organization (FAO), GRASP will provide female producers with a package of integrated homestead gardening, which includes support to female owners of poultry and small ruminants.

Survey to assess impact on MSME’s in Sindh and Balochistan

In May 2020, COVID-19 Business Impact Surveys were carried out to assess the pandemic’s impact on agribusinesses and farmers in Sindh and Balochistan. The survey was coordinated by Sukkur IBA University and University of Balochistan in Sindh and Balochistan respectively, and was carried out through phone interviews. The survey was a follow-up on the MSME competitiveness surveys carried out in December 2019. The respondents consisted of agribusinesses and farmers operating in the GRASP priority value chains in the livestock and horticulture sectors. 153 agribusinesses and 99 farmers were interviewed in Sindh, while in Balochistan, 90 agribusinesses and 70 farmers were assessed.
COVID-19 Business Impact survey aims to gather verifiable data-based evidence on the new challenges faced by agribusinesses and farmers in light of the situation. It assesses the impact on the business operations, production capacities, and market access of these enterprises. It also analyses the reach and effectiveness of the policy measures taken by the federal and provincial governments. The data collected will feed into GRASP’s Rural MSME Competitiveness and Sustainability strategies, and will be used to create policy briefs to assist the governments in developing effective policies. It will also help to identify potential immediate and medium-term responses to adapt GRASP support activities. Survey results and analytical reports for both provinces will be available in the coming weeks on the GRASP website.

**GRASP governance mechanism put in place**

In order to receive strategic guidance from relevant stakeholders to align GRASP interventions with their aspirations and with the policies of the government, including developing synergies with other development efforts, GRASP envisaged a governance structure for the project. The GRASP governance structure intended for the establishment of project steering committees at the federal level and one each for the two provinces.

To put in place representative project steering committees, GRASP engaged with the planning and development departments of the two provinces and Ministry of Commerce in Islamabad. Based on discussions and foreseen role and responsibilities of the three project steering committees, terms of reference were developed which were formally notified by Ministry of Commerce and the two planning and development departments respectively.

The notified terms of reference provide for the mandates of the three committees, their respective roles and responsibilities and composition in addition to other details. The three committees are required to meet regularly, review GRASP progress and provide strategic and policy guidance.

**Warm up Meeting of BPSC held**

The warm-up meeting of the Balochistan Project Steering Committee (BPSC) of GRASP was held in February under the Chairmanship of Additional Chief Secretary Planning and Development Department, Balochistan. During the meeting, the committee reviewed the progress made so far by GRASP and provided strategic guidance for finalization of the intervention. It formally reviewed the selected products and districts for project implementation in Balochistan and expressed satisfaction on the selected districts and value chains. After a review of the terms of reference for the committee, the meeting formally adopted them with some additional members. Meetings of the National Project Steering Committee and Sindh Project Steering Committee could not take place due to emergency and social distancing put in place due to COVID-19.
Regulatory Reform Committees being established

Coherent, inclusive and research based regulatory and policy reform ensure that all the building blocks of the government strive towards the achievement of common development goals.

Through GRASP project, support for regulatory reform will be provided in the areas of domestic commerce, livestock, agriculture, women development and food safety. Environmental sustainability being a cross cutting area will be taken care of. In order for the regulatory reform provided in the five areas to be mutually supportive, it is necessary to institutionalize a participatory mechanism for collaborative regulatory reform among the relevant stakeholders. The purpose of such a mechanism will also be the involvement of public sector, private sector, civil society and academia in public private dialogues for research based regulatory reforms.

To translate that concept into reality, constitution of Regulatory Reform Committees have been envisioned in the two provinces with the participation of relevant public and private sector. Terms of reference for the two committees have been designed and have been formally submitted to the planning and development departments of the two provinces for their review.

Gender consultations held across Sindh and Balochistan in over 40 meetings

In order to validate and inform the gender strategy of GRASP, gender consultations were held across 6 districts of Sindh and Balochistan. More than 40 meetings were held earlier this year with government officials, development agencies, non-government organizations (NGO), business support organizations (BSO), Rural Support Programmes (RSPs), gender experts, agro processors, women farmer groups and collectives and women led MSMEs. More than 200 women from 9 village farmer groups on Sindh and 12 village farmer groups in Balochistan were consulted.

As part of the validation, consultations were conducted with a broad range of stakeholders to:

- Understand constraints and opportunities to working with women in rural Pakistan
- Better understand gender dynamics at household level
- Identify potential business cases
- Determine feasibility of intervention activities
- Identify partner institutions for collaboration
- Validate the value chain product selection and district selection of GRASP activities

Based on the feedback and findings from these consultations, the gender team put together a gender strategy outlining GRASP’s approach for gender inclusiveness in the selected value chains as well as for mainstreaming gender into all phases of the project cycle. The gender strategy is underpinned by the ‘do no harm’ principle.
News in brief

**GRASP to provide support on business registration and taxation support to SMEs**
Initial discussions for signing partnership arrangements with the Chief Executive of Small and Medium Enterprise Authority (SMEDA) were held where the two partners agreed to sign a memorandum of understanding (MoU). The SMEDA-GRASP MoU will cover support in business registration, augmenting institutional capacity of SMEDA for research, policy development and business registration among others.

**State of Domestic Commerce in Pakistan explored**
An in-depth analysis of the prevailing domestic commerce institutional mechanism was conducted based on the pillars identified by the international organizations including the report on doing business. Starting a business, registering a business, access to finance and other parameters of domestic commerce were investigated along with relevant regulatory regime. A compendium of relevant laws and regulations was also developed which will provide useful links for regulatory reform.

**Offices established in Islamabad, Karachi and Quetta**
As part of its implementation support, GRASP has established offices in Islamabad, Karachi and Quetta. Lease agreements have been signed in Karachi and and Quetta, whereas negotiations are under way for two potential sites in Islamabad. Temporary offices in Islamabad and Quetta have been established until regular offices are renovated and completed.

**GRASP negotiates partnership arrangements with PPAF, FAO and SMEDA**
GRASP team met with local organizations to discuss avenues of collaboration to support the farmers, MSMEs and communities in the face of COVID19 pandemic. GRASP representatives in Balochistan met Mr. Shakoor Ahmed, Provincial Chief of SMEDA Balochistan to discuss ways of collaboration to support the SME sector in Balochistan. Virtual meetings were held with FAO highlighting GRASP interventions and discussing collaboration on interventions.

For Pakistan Poverty Alleviation Fund (PPAF), operations lead joined the GRASP team mid-April. Integration and updates with GRASP team members was done virtually, and an orientation session was held at PPAF core units for the GRASP team.

**GRASP Team meets with ITC Executive Director Ad Interim Dorothy Tembo**
During a virtual meeting with the GRASP team, ITC acting Executive Director Dorothy Tembo appreciated the project team’s efforts and emphasized the benefits that GRASP will bring to the MSME’s in Pakistan.

*From on boarding sessions to meeting with government officials and operational partners, GRASP has been planning and carrying out activities while working remotely. Shabnam Baloch, provincial lead Sindh, shares her views “Prior to joining ITC-GRASP in Pakistan, I have worked in curfew like conditions. I was excited to return to Pakistan and work with full mobility. It is now over 3 months in Pakistan and have not been able to meet any of my team members physically. I look forward to meeting my GRASP colleagues very soon!”*

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