

## Empowering Rural Enterprises through Access to Finance (A2F)

The Access to Finance (A2F) component is a key pillar of GRASP project. Implemented by the PPAF, A2F aims to strengthen the financial capacity and creditworthiness of rural SMEs, enabling them to grow, innovate, and create jobs. Through A2F, PPAF provides growth capital and facilitates financial inclusion in rural Sindh and Balochistan by linking small producers and enterprises to formal financial systems.

### HOW A2F WORKS

A2F operates through two main approaches:

- **Matching Grants:** Non-reimbursable funds provided to small farmers, primary producers, and SMEs, helping them implement innovative ideas and unlock growth potential through shared financial contribution.
- **Linkages with Financial Institutions:** Building partnerships with Commercial Banks, Microfinance Banks (MFBs), Microfinance Institutions (MFIs), and Insurance Companies to connect rural SMEs with appropriate financial products and services. GRASP serves as a bridge between financial institutions seeking rural markets and SMEs unaware of available financing opportunities.

### PROGRESS & IMPACT

#### Progress

- Partnerships with **24 financial institutions** (Commercial Banks, Micro Finance Banks, Micro Finance Institutions, and Insurance Companies).
- **459 SMEs** (215 women-led) availed **516 loans of USD 3.56 million**
- **USD 5.19 million** matching grant schemes awarded to **399 SMEs** (146 women-led and 1 led by transgender person).

#### Impact

- **47,686 jobs created** (full and part-time), including 14,886 for women and 5 for transgender persons.
- **88% increase in investment** and **89% rise in sales turnover** among supported SMEs.
- **83%** of Matching Grant SMEs adopted cleaner production and climate-smart agriculture and livestock practices.
- **82%** SMEs integrated into national and international value chains.



### ABOUT GRASP

The European Union funded Growth for Rural Advancement and Sustainable Progress (GRASP) is a six-year project implemented by the International Trade Centre (ITC) – the joint agency of the United Nations and the World Trade Organization in partnership with Food and Agriculture Organization (FAO), Small and Medium Enterprises Development Authority (SMEDA) and Pakistan Poverty Alleviation Fund (PPAF).