

GRASP Matching Grant Scheme for Livestock & Horticulture SMEs

The Growth for Rural Advancement and Sustainable Progress (GRASP) project is funded by the European Union (EU) and implemented by the International Trade Centre (ITC) in partnership with the Food and Agriculture Organization of the United Nations (FAO) and Pakistan Poverty Alleviation Fund (PPAF). The objective of the project is poverty reduction and sustainable inclusive growth through the development of rural small and medium-sized enterprises (SMEs) in respective selected districts of the provinces of Sindh and Balochistan.

This component of the scheme aims to provide the requisite growth capital required by medium SMEs (horticulture and livestock) in each of the value chain/ districts such as project financing, expansion of existing facilities, adopting innovative green technologies, backward and forward integration, purchase of equipment and machinery, installation of facilities, introducing new variety, tools etc. A total of USD 5 million has been allocated for these schemes.

ABOUT MATCHING GRANT






A matching grant is a non-reimbursable transfer of funds to small farmers, producers, MSMEs and SMEs to match a specified contribution from the enterprises to unlock the growth and expansion through a rigorous competitive process to improve productivity and profitability of the MSMEs/SMEs and to make them financing ready. The matching grants will serve as a catalyst to leverage investment, attract finances, and enable businesses to introduce, adapt or upgrade green technology while mitigating risk and encouraging innovation.

GRASP EXPECTED OUTCOMES FROM MATCHING GRANT FINANCING

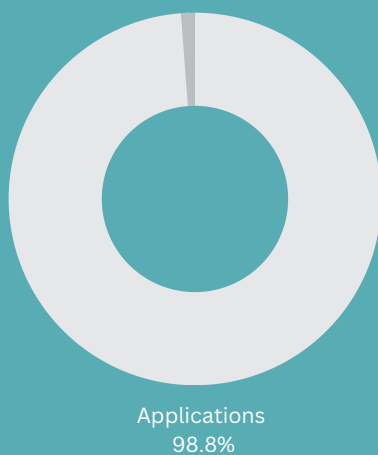
1. An increased number of smallholder farmers/ Producers/ SMEs linked to financial institutions
2. 40% increase in investments in supported SMEs
3. 50% increase in sales turnover
4. 30% increase of full-time equivalent (FTE) jobs
5. 30% for green technologies

First Cycle Matching Grant Value Chains Details

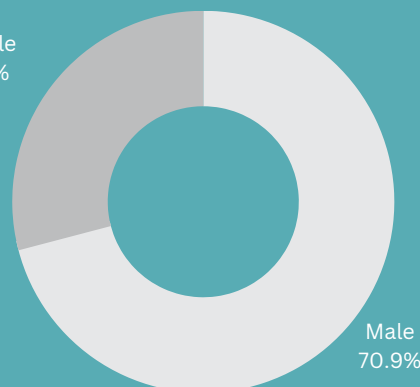
In the first cycle USD 645,455 has been disbursed after a competitive process in targeted value chains. In addition to the GRASP funds USD 219,003 (34%) has been mobilized by the SMEs. These SMEs are now getting technical assistance and support to mobilize USD 134,303 (21%) financing from financial institutions.

	0.5 Million Men Women	2.5 Million Men Women	30 Million Men Women	Total Men Women
 Applications	2,337	2,013	163	4,513
 Shortlisted	170	35	10	215
 Business Plans Developed, Financial Literacy & Pitch Sessions	184 121 54	32 29 3	10 10 -	226 160 66
 Due Diligence	59 38 21	11 11 -	4 4 -	74 53 21
 Approved	43 27 16	10 10 -	2 2 -	55 39 16

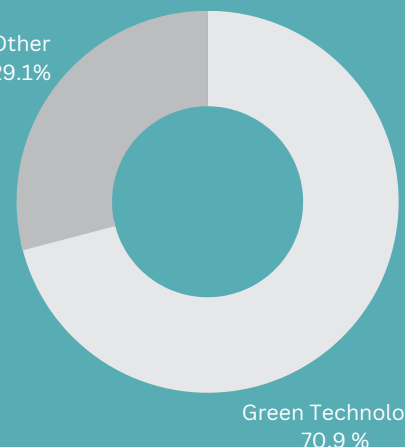
Applications Approved
1.2%



Total Applications Approved












Other
29.1%



Approved Matching Grants

	0.5 Million	2.5 Million	30 Million	Total
 Banana	1	0	0	1
 Cattle	0	3	0	3
 Date	7	2	2	11
 Goat	12	0	0	12
 Mango	2	0	0	2
 Onion	8	0	0	8
 Tomato	0	3	0	3
 Sheep	4	0	0	4
 Olive	0	1	0	1
 Grapes	3	0	0	3
 Poultry	6	1	0	7
GRAND TOTAL	43	10	2	55

Matching Grant Process

	Process	Committee Members	Category	Working Days	Committee
1	 Application Announcement & Submission	Partner Organization - District & Provincial Headoffices	0.5, 2.5, 30 Million	20	PO Offices
2	 2.1 Mandatory Documentation check and screening	(i) PO's GRASP staff (ii) PO's staff (Manager Level) of any other project (iii) PO's (Finance or Procurement Unit) (iv) PPAF (Optional)	0.5, 2.5, 30 Million	15	PO Committee
	 2.2 Evaluation & Shortlisting (Approx 200% of target)	(i) PO's GRASP staff (ii) PO's staff (Manager Level) of any other project (iii) PO's (Finance or Procurement Unit staff) (iv) PPAF (Compulsory) (v) ITC (Optional)	0.5, 2.5, 30 Million		PO Committee
3	 3.1 Business Plan Development and Financial Literacy	Consulting Firm / POs	0.5, 2.5, 30 Million	30	Consulting Firm / POs
	 3.2 Due diligence	POs/PPAF/(ITC Optional) for 0.5 Million Businesses	0.5 Million		PO DD Committee
4	 Pitching Session 0.5 million, 2.5 million, 30 Million (Approx 200% of target) and Recommendations	(i) PO staff (ii) Subject expert (Academia or Govt. or from Private Sector) (iii) SMEDA or Association/Union or Chamber of Commerce & Industries (iv) PPAF GRASP (v) Financial Institution (optional) (vi) ITC (Optional)	0.5, 2.5, 30 Million 1. 0.5 Million (For approval to PO Management) 2. 30, 2.5 Million (For Provincial Committee)	10	PO Committee
5	 Pitching of 2.5 million and 30 million Matching Grants (Approx 150% of target) and Recommendations	ITC, PO, PPAF, SMEDA, Bank	2.5, 30 Million 1. 2.5 Million (For approval to PO Management) 2. 30 Million (For Steering Committee)	07	Provincial Committee
6	 Due diligence 30 million and 2.5 million	ITC, PPAF, PO	2.5, 30 Million	20	Provincial DD Committee
7	 Final pitching of 30 million to Steering Committee: Recommended for approval by Designated PO	ITC and PPAF	30 Million	03	PMU Steering Committee
Total working days				105	