



# Pakistan: Preparing the Micro, Small, and Medium-Sized Enterprises Financial Access, Inclusivity, and Resilience Project

|   |  |  |   |  |                                   |                 |   |                 |
|---|--|--|---|--|-----------------------------------|-----------------|---|-----------------|
| Project Name  | Preparing the Micro, Small, and Medium-Sized Enterprises Financial Access, Inclusivity, and Resilience Project   |  |   |  |                                   |                 |   |                 |
| Project Number  | 54424-002  |  |   |  |                                   |                 |   |                 |
| Country   | Pakistan   |  |   |  |                                   |                 |   |                 |
| Project Status  | Active   |  |   |  |                                   |                 |   |                 |
| Project Type / Modality of Assistance   | Technical Assistance   |  |   |  |                                   |                 |   |                 |
| Source of Funding / Amount  | <table border="1"> <tr> <td>TA 6747-PAK: Preparing the Micro, Small, and Medium-Sized Enterprises Financial Access, Inclusivity, and Resilience Project</td> <td></td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 500,000.00</td> </tr> <tr> <td>Republic of Korea e-Asia and Knowledge Partnership Fund</td> <td>US\$ 500,000.00</td> </tr> </table>  |  | TA 6747-PAK: Preparing the Micro, Small, and Medium-Sized Enterprises Financial Access, Inclusivity, and Resilience Project |  | Technical Assistance Special Fund | US\$ 500,000.00 | Republic of Korea e-Asia and Knowledge Partnership Fund | US\$ 500,000.00 |
| TA 6747-PAK: Preparing the Micro, Small, and Medium-Sized Enterprises Financial Access, Inclusivity, and Resilience Project |  |  |   |  |                                   |                 |   |                 |
| Technical Assistance Special Fund   | US\$ 500,000.00  |  |   |  |                                   |                 |   |                 |
| Republic of Korea e-Asia and Knowledge Partnership Fund   | US\$ 500,000.00  |  |   |  |                                   |                 |   |                 |
| Strategic Agendas   | Inclusive economic growth  |  |   |  |                                   |                 |   |                 |
| Drivers of Change   | Governance and capacity development<br>Knowledge solutions<br>Partnerships   |  |   |  |                                   |                 |   |                 |
| Sector / Subsector  | Finance - Inclusive finance  |  |   |  |                                   |                 |   |                 |
| Gender Equity and Mainstreaming   | Gender equity  |  |   |  |                                   |                 |   |                 |
| Description   | The Technical Assistance (TA) is attached to the concept paper for a proposed loan of \$125 million supporting financial inclusion of Micro, Small, and Medium-Sized Enterprises (MSME) and income generating households in Pakistan.  |  |   |  |                                   |                 |   |                 |
| Project Rationale and Linkage to Country/Regional Strategy  | In June 2020 Pakistan's microfinance industry serviced approximately 6.9 million borrowers with outstanding loans of approximately \$1.9 billion (PRs 299 billion). Since 2015 the micro and small enterprise (MSE) loan book has grown at a compound average growth rate (CAGR) of 35% while client outreach increased at a CAGR of 20%. However, due to the economic decline in 2019 and COVID-19, client outreach and loan disbursements to households dropped sharply and further decline is anticipated until end 2021. Women borrowers were particularly hard hit declining 9% from June 2019-June 2020. The proposed project is to restore economic resilience of the household and MSME borrowers in response to the ongoing crisis and help kick-start lending. |  |   |  |                                   |                 |   |                 |
| Impact  |  |  |   |  |                                   |                 |   |                 |
| Project Outcome   |  |  |   |  |                                   |                 |   |                 |
| Description of Outcome  |  |  |   |  |                                   |                 |   |                 |
| Progress Toward Outcome   |  |  |   |  |                                   |                 |   |                 |
| Implementation Progress   |  |  |   |  |                                   |                 |   |                 |
| Description of Project Outputs  |  |  |   |  |                                   |                 |   |                 |
| Status of Implementation Progress (Outputs, Activities, and Issues)   |  |  |   |  |                                   |                 |   |                 |
| Geographical Location   | Nation-wide  |  |   |  |                                   |                 |   |                 |
| Summary of Environmental and Social Aspects   |  |  |   |  |                                   |                 |   |                 |
| Environmental Aspects   |  |  |   |  |                                   |                 |   |                 |
| Involuntary Resettlement  |  |  |   |  |                                   |                 |   |                 |
| Indigenous Peoples  |  |  |   |  |                                   |                 |   |                 |
| Stakeholder Communication, Participation, and Consultation  |  |  |   |  |                                   |                 |   |                 |
| During Project Design   |  |  |   |  |                                   |                 |   |                 |
| During Project Implementation   |  |  |   |  |                                   |                 |   |                 |
| Business Opportunities  |  |  |   |  |                                   |                 |   |                 |
| Consulting Services   | Joint  |  |   |  |                                   |                 |   |                 |
| Procurement   | Joint  |  |   |  |                                   |                 |   |                 |
| Responsible ADB Officer   | Hasan, Fahad   |  |   |  |                                   |                 |   |                 |
| Responsible ADB Department  | Central and West Asia Department   |  |   |  |                                   |                 |   |                 |
| Responsible ADB Division  | Pakistan Resident Mission  |  |   |  |                                   |                 |   |                 |

| Timetable           |             |
|---------------------|-------------|
| Concept Clearance   | -           |
| Fact Finding        | -           |
| MRM                 | -           |
| Approval            | 01 Jul 2021 |
| Last Review Mission | -           |
| Last PDS Update     | 14 Jul 2021 |

## TA 6747-PAK

| Milestones  |              |                  |             |         |        |
|-------------|--------------|------------------|-------------|---------|--------|
| Approval    | Signing Date | Effectivity Date | Closing     |         |        |
|             |              |                  | Original    | Revised | Actual |
| 01 Jul 2021 | 10 Aug 2021  | 10 Aug 2021      | 31 Dec 2027 | -       | -      |

| Financing Plan/TA Utilization |             |             |               |                 |        | Cumulative Disbursements |             |        |
|-------------------------------|-------------|-------------|---------------|-----------------|--------|--------------------------|-------------|--------|
| ADB                           | Cofinancing | Counterpart |               |                 |        | Total                    | Date        | Amount |
|                               |             | Gov         | Beneficiaries | Project Sponsor | Others |                          |             |        |
| 500,000.00                    | 500,000.00  | 0.00        | 0.00          | 0.00            | 0.00   | 1,000,000.00             | 29 Sep 2021 | 0.00   |

|                         |   |
|-------------------------|---|
| Project Page            | <a href="https://www.adb.org/projects/54424-002/main">https://www.adb.org/projects/54424-002/main</a>   |
| Request for Information | <a href="http://www.adb.org/forms/request-information-form?subject=54424-002">http://www.adb.org/forms/request-information-form?subject=54424-002</a> |
| Date Generated          | 03 November 2021  |

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