



SMEDA ANNUAL REPORT (BRIEF)

FISCAL YEAR OF 2023-24

About SMEDA

Small Medium Enterprises Development Authority (SMEDA) is the apex SME development organization for the promotion and development of SMEs in Pakistan. Its legal framework, the SMEDA Ordinance 2002, specifies it as an autonomous agency at the federal level with a mandate to support SME development in the country.

VISION & MISSION

VISION

GROWTH OF THE GLOBALLY COMPETITIVE SME SECTOR, FACILITATED BY A FAVOURABLE ENVIRONMENT AND SUPPORTIVE SERVICES FOR THE NATIONAL ECONOMY'S SUSTAINABLE GROWTH.

MISSION

TO CONTRIBUTE TO THE CREATION OF JOBS AND VALUE ADDITION TO THE NATIONAL INCOME THROUGH DEVELOPING THE SME SECTOR, BY ASSISTING IN THE GROWTH OF THE NUMBER, SIZE, AND COMPETITIVENESS OF THE SMES.



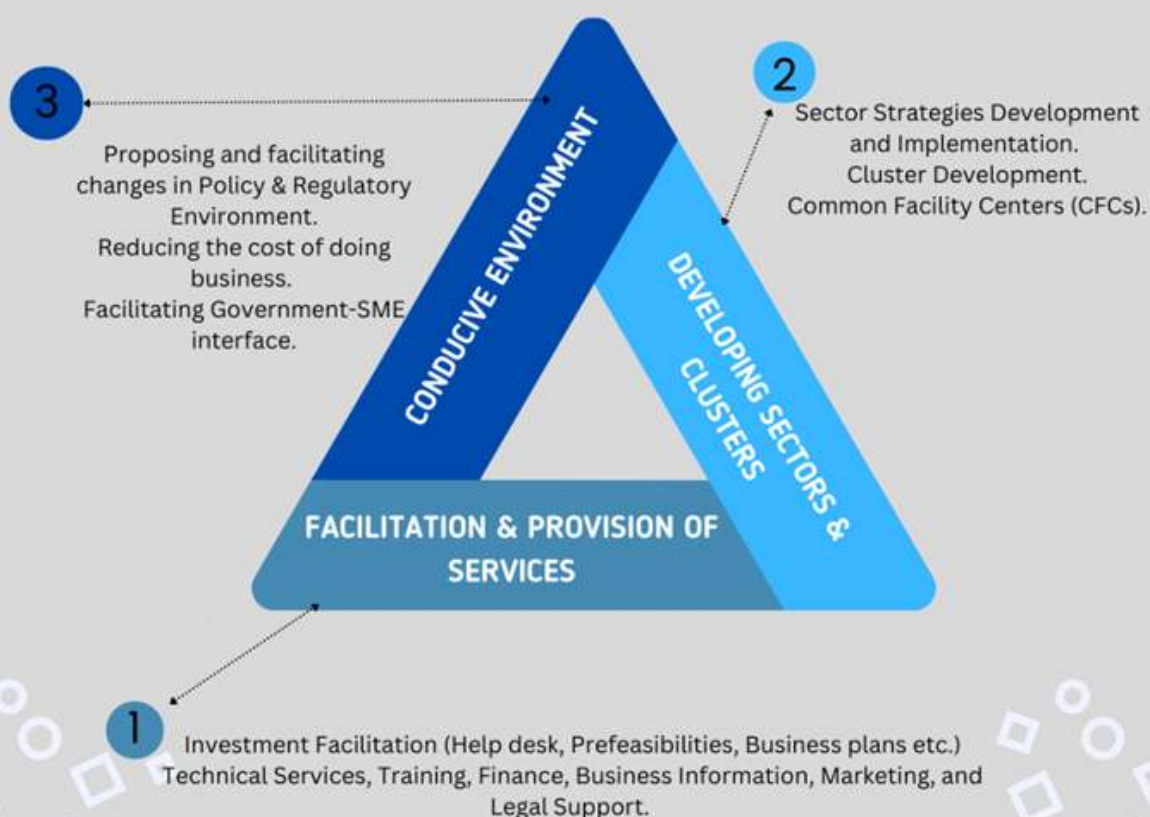
SMEDA Outreach

4
Provincial
Offices

21
Business
Centers

THREEFOLD INTEGRATED

SME Facilitation Strategy



SMEDA MANDATE

01

Facilitate Policy Making

02

Protect Interest of SMEs

03

Conduct professional overall monitoring and evaluation

04

Advise federal government of the allocation of funds

05

Act as a resource base for providing expertise, information, data, and statistics.

06

Identifying research parameters and priorities.

07

Provide, organize, and facilitate support services.

08

Establishing association of persons, firms, companies, bodies, or corporations concerning SME.

09

Initiate, take, continue, implement, and perform any and all activities for encouraging and facilitating the growth and development of SMEs



**Over-the-Counter
Products & Services**



Legal Advice & Facilitation



Industry Support



Sector & Cluster Development

01

02

03

04

8

Categories of Services



**Human Resource
Development for SMEs**



**Assistance in Access to
Finance**



Research, Policy, & Advocacy



SME Development Projects

05

06

07

08

SME Facilitation

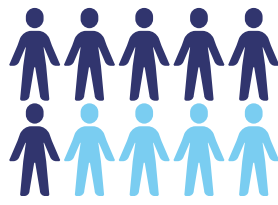
&

Business Development Services

Total SMEs Facilitated **10,575**

SMES FACILITATED (HELP DESK)

Two thousand six hundred and fifty-seven (2,657) SMEs

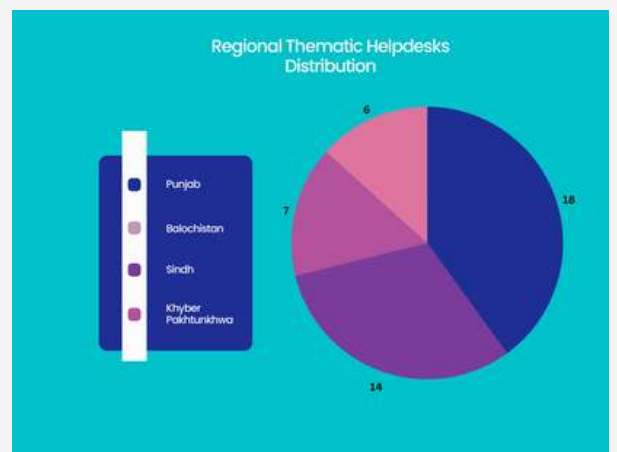


SME FACILITATION

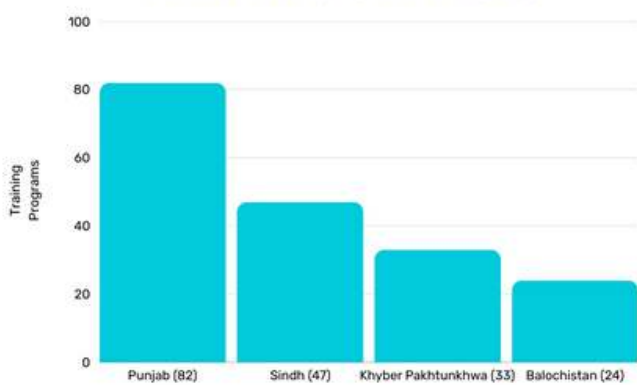


Thematic Help Desks

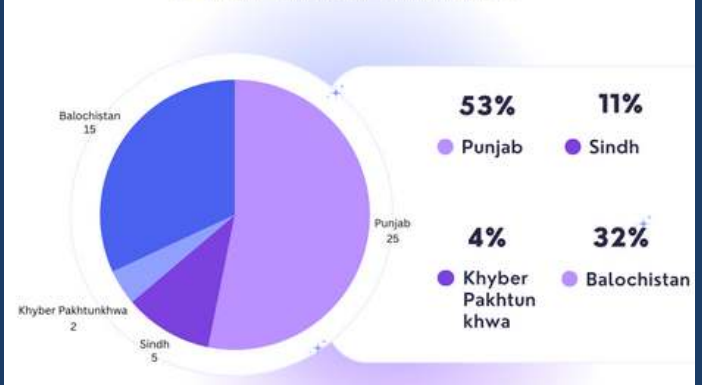
45 theme specific helpdesks organized at locations across Pakistan.



TRAINING SERVICES

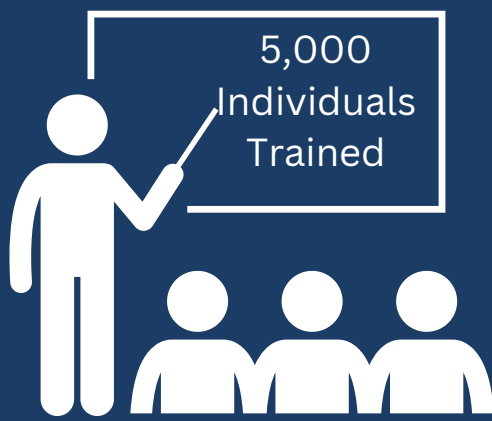


PREFEASIBILITIES



253

Training programs/ workshops including Youth Entrepreneurship Programs (YEPs) conducted.



5,000
Individuals
Trained

49

Prefeasibilities developed/updated.

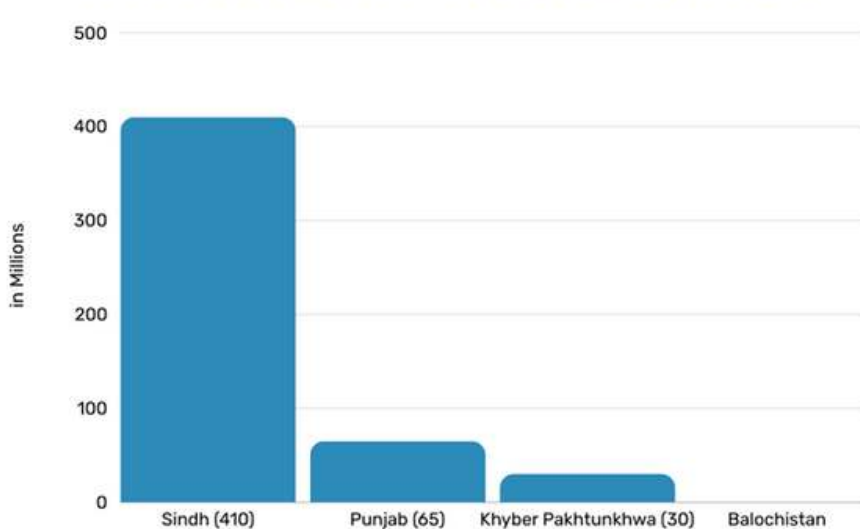
↓ DOWNLOAD

3

Business Plans Developed



INVESTMENT FACILITATION



Rs

505
Million



FINANCIAL SERVICES

SME Financing Portfolio (Bi-Annual Report)

Key Highlights:

- SME Debt Financing: PKR 542.53 billion by Dec 2023.
- Overview of financing landscape.
- Microfinance & Digital Solutions: Growing role in SME support.
- Startup Funding Decline: Impact of economic and political instability.
- Government Schemes: Critical for SME financing.
- Digital Finance: Enhancing accessibility and efficiency.



↓ **DOWNLOAD**

SME Financing Products Database

Key Features:

- SME Financing Product Database: 67 products from 13 banks.
- Search Filters: Loan purpose, business sector, bank name, loan amount.
- Product Info: Interest rates, collateral, documentation, eligibility, and contact details.
- SBP Incentive Schemes: Dedicated access to SBP financing products.
- Banks Listed: National Bank, Bank Alfalah, HBL, UBL, Allied Bank, MCB Islamic, Meezan Bank, and more.



[Click to Watch "How to Use Database?"](#)

Collaborations and Strategic Partnerships with Financial Institutions

MOUs Signed With:

- Bank Alfalah
- Askari Bank



SME Incentive Schemes Awareness Sessions

- Eight Programs Conducted on SME Incentive Schemes.
- 262 SMEs Facilitated
- Locations: Peshawar, Hafizabad, Gujrat, Mirpur, and Lahore.

SME Financial Helpdesks

- 04 Financing Helpdesks conducted.
- 70 SMEs facilitated.





LEGAL SERVICES

Legal Training/Awareness Programs/Helpdesks



Key Activities:

- 04 Legal Training Programs conducted.
- 03 Helpdesks organized.
- Areas of Focus: Registration of Business, Import Export, Intellectual Property Rights, Tax, Dispute Resolution, and Legal Literacy.

Legal Consultation Provided

50

SMEs



[Download
Commercial
Contracts
\(English\)](#)



[Download
Commercial
Contracts
\(Urdu\)](#)



[Download
Regulatory
Procedures](#)



CONSULTANT DATABASE



Consultant Database

Small and Medium Enterprises Development Authority (SMEDA)



Search Signup as Service Provider Login

Active Service Providers: 636

Find Your Consultant

Please select the service which you require

Select Service of Domain Expert

Please select your sector (optional)

All

Please select the location (optional)

All

Search

The SMEDA Consultant Database (CDB) is designed to facilitate easy and convenient interaction between both service providers and service seekers. It is free, easily accessible and userfriendly.

Use the CDB to search and explore various consultants / service providers. Signup to offer your skills and expertise to prospective clients.



BUSINESS GUIDES



DOWNLOAD NOW

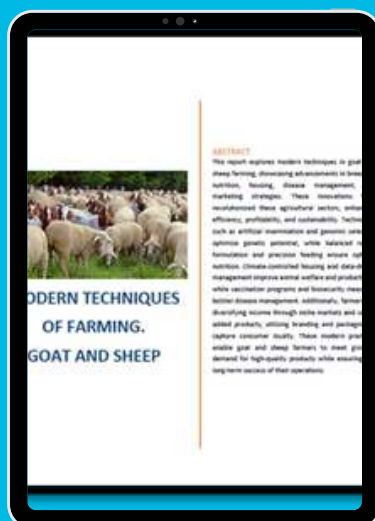
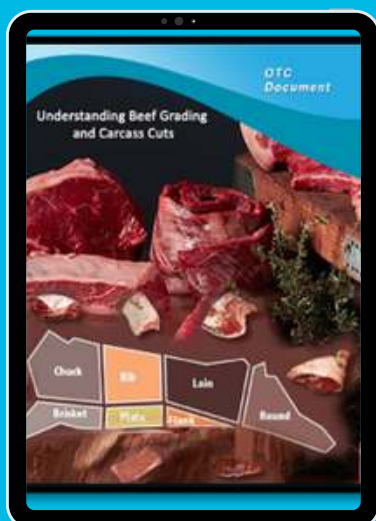
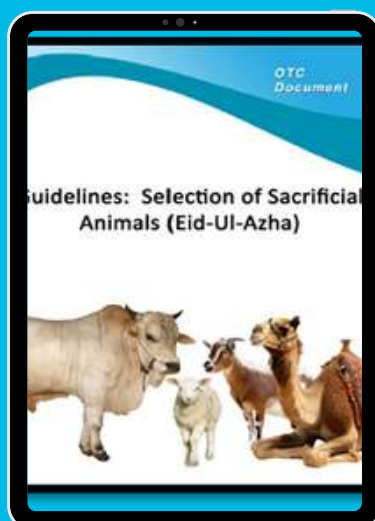
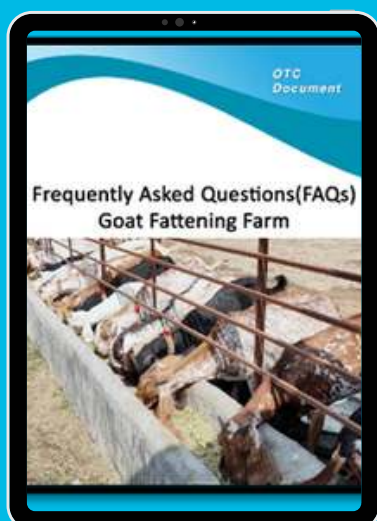


DAIRY & LIVESTOCK SERVICES

Business Guides

4

Business Guides developed



TUNNEL VS OPEN VENTILATION SYSTEM IN DAIRY FARMING



Prefeasibility Studies

7

Prefeasibility Studies updated



PSDP PROJECTS

SMEDA is implementing various PSDP projects across Pakistan to cope with the challenge of insufficient infrastructure and technology to increase SME productivity and competitiveness inter alia to demonstrate modern technologies for adoption by the private sector.

Completed Projects During FY 2023-24

Sports Industries Development Centre (SIDC) - Sialkot

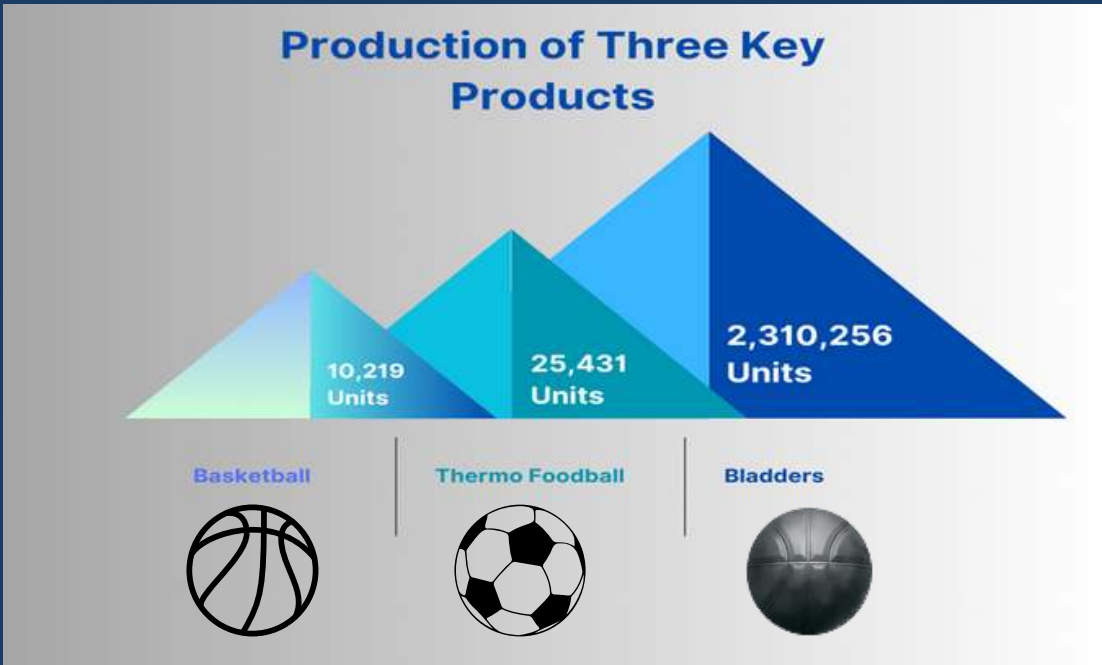


Sialkot Business & Commerce Center (SBCC)



Progress Completed Projects 2023-24

Sports Industries Development Centre (SIDC) - Sialkot



Sialkot Business & Commerce Center (SBCC)

Facilities Provided

- Exhibition Halls
- Auditorium/Meeting Rooms
- Business Incubation Offices
- Office Rooms
- Business Facilitation

Types of Services Provided by Business Facilitation Centre

BUSINESS COUNSELING	NETWORKING AND LIAISON WITH OTHER BUSINESS SUPPORT INSTITUTIONS/ADVISERS
INTERNATIONAL BUSINESS LINKAGES	SEMINARS, WORKSHOPS, AND TRAINING PROGRAMS
PROFESSIONAL SERVICES (E.G., ACCOUNTANTS, LAWYERS, PRODUCT DEVELOPERS, ETC.)	MANAGEMENT, MARKETING, AND TECHNOLOGICAL SUPPORT

- 08 training programs, help desk sessions, seminars, and workshops organized
- Facilitated 9 events
- Four SMEs provided opportunity to display their products

PSDP PROJECTS

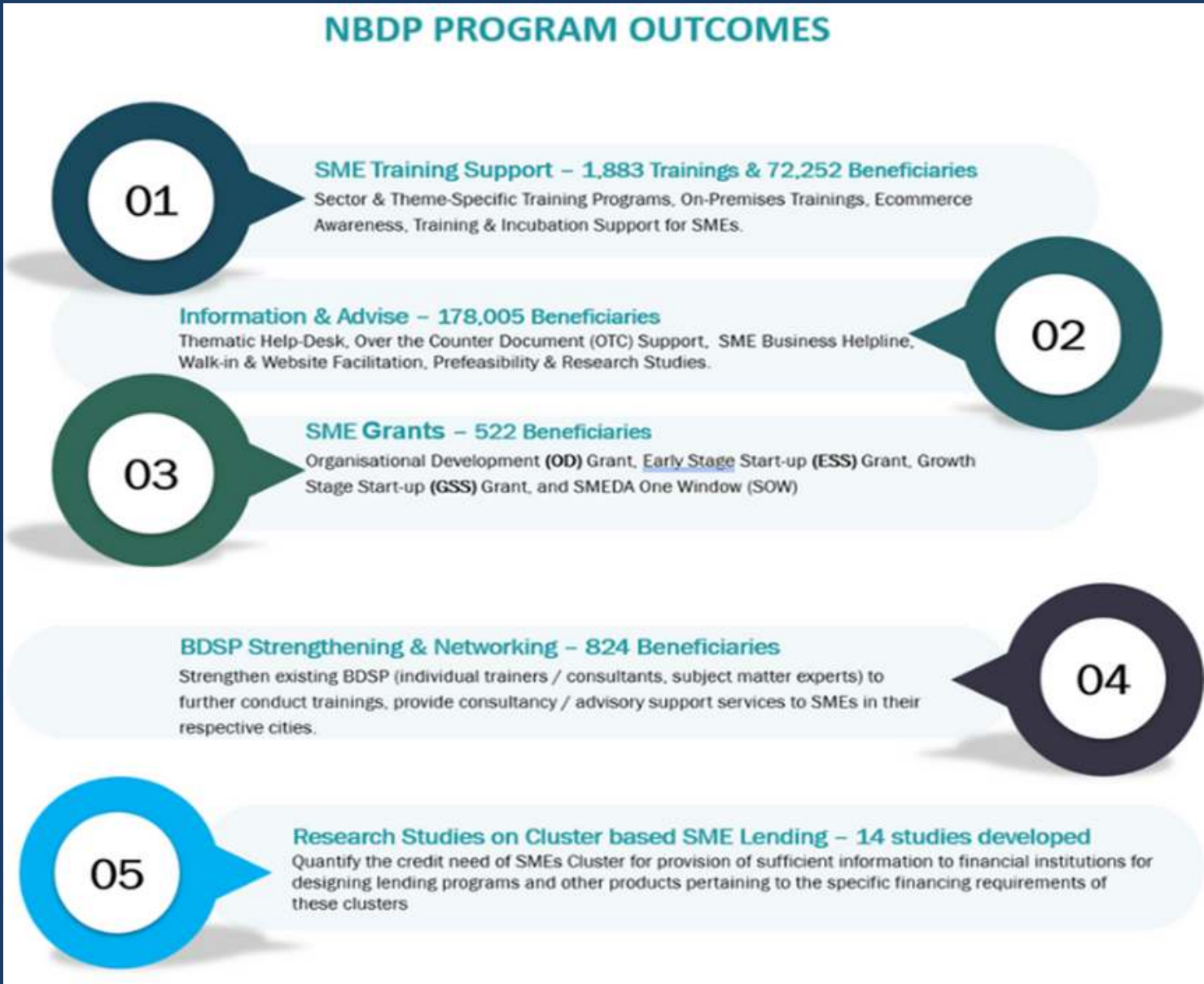
Ongoing Projects

7 PROJECTS

Total Allocation for PSDP in 2023-24 = Rs 730 Million

SR.	Project Name	Allocation (2023-24)	Releases	Utilization
1.	1000 Industrial Stitching Units	166.140	91.698	88.986
2.	Business Skills Development Centers for Women, D.I. Khan	15.000	14.186	14.186
3.	National Business Development Program for SMEs	300.000	76.130	74.673
4.	Product Development Center for Composites Based Sports Goods, Sialkot	45.850	9.500	8.320
5.	Research Regulatory Insight & Advocacy Assistance for SMEs	80.000	44.937	44.937
6.	SME Business Facilitation Center, Multan	23.010	12.387	12.387
7.	Acquisition of Land for Establishment of SME Facilitation Centers at Various Locations	100.000	168.456	168.456c
Total		730.000	417.294	411.945

1 National Business Development Program for SMEs (NBDP) – Project Closed on 30th June 2024



2 Product Development Center (PDC) for Composites Based Sports Goods, Sialkot

- Civil Work completed
- Machinery & equipment procured.
- Machinery Supplier is unable/failed to complete the scope of work for installation, commissioning & transfer of technology of machinery as per contract.



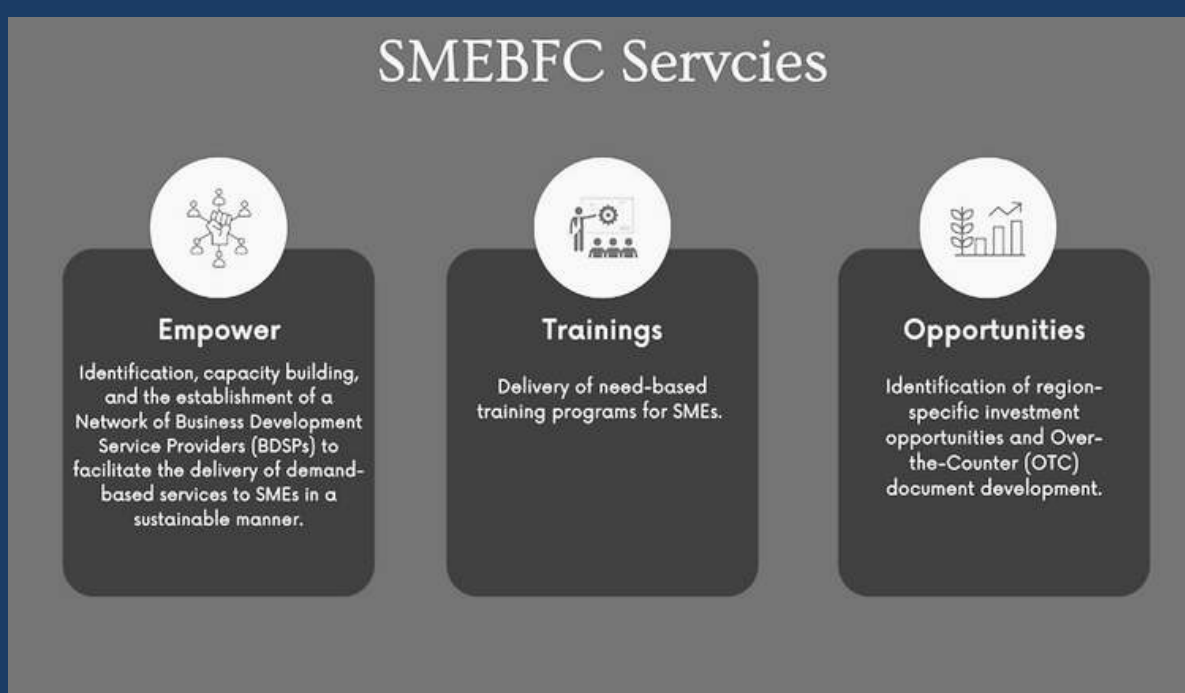
3 1000 Industrial Stitching Units

93



**Industrial Stitching Grants
provided till the end of FY 2023-24**

4 SME Business Facilitation Center (SMEBFC), Multan
(Project Completed on 30th June, 2024)



94 Training Programs conducted



4 OTC documents developed

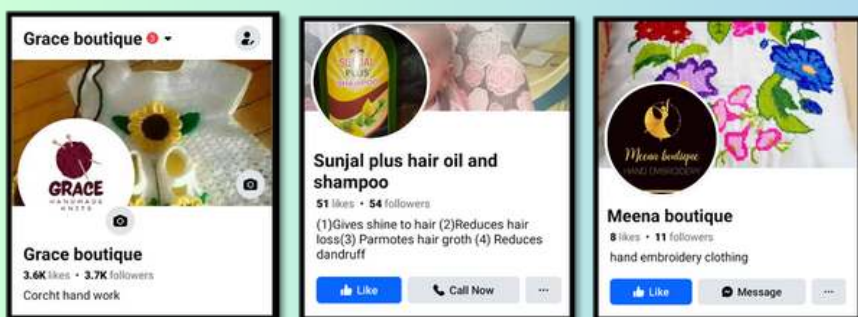
Conducted in-depth profiling and Business Development Services (BDS) need assessments for **236** SMEs

5 Business Skills Development Center (BSDC) for Women, D.I. Khan



➤ 20 Facebook pages and 10 Daraz accounts developed for WEs

➤ 3 day exposure visit to the Islampur Cluster in Swat organized, with 13 WEs participating.



➤ Fourteen display racks have been occupied



➤ Organized four monthly Hunarmand bazaars at BSDC-W



➤ 08 Training Sessions and 03 YEPs Conducted

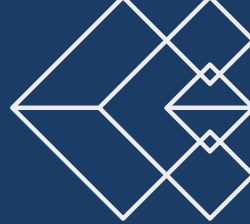


➤ 02 Cluster Profiles developed:

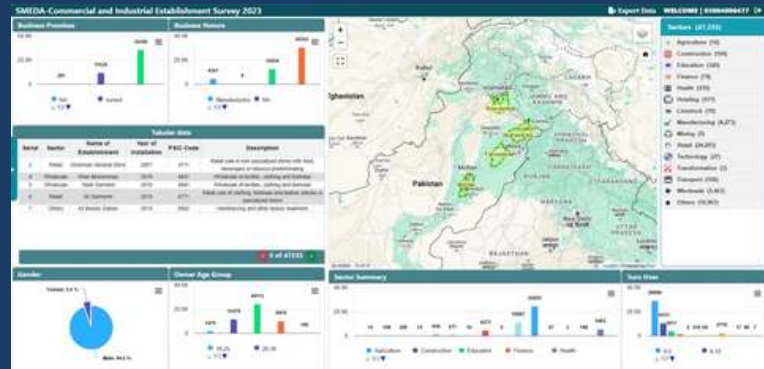
1. Ghulbi Achaar (D.I. Khan)
2. Date Palm Leafs Handicraft (Paharpur)

6

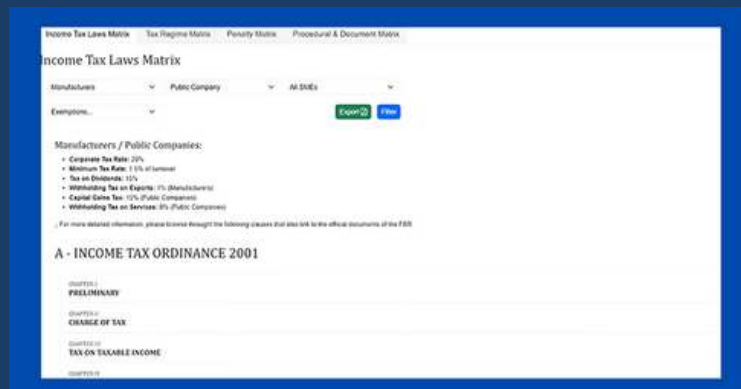
Research, Regulatory Insight & Advocacy Assistance for SMEs



- SME Database Development with Urban Unit - Completion of a sample survey in 5 districts



- Income Tax Query Management System developed



- Conducted two Policy Dialogues on SME Growth

- ① Catalyzing Growth-SMEs in the Era of Value Chain Integration: Global Insights and Way Forward”



- ② Federal Budget Consultation Session

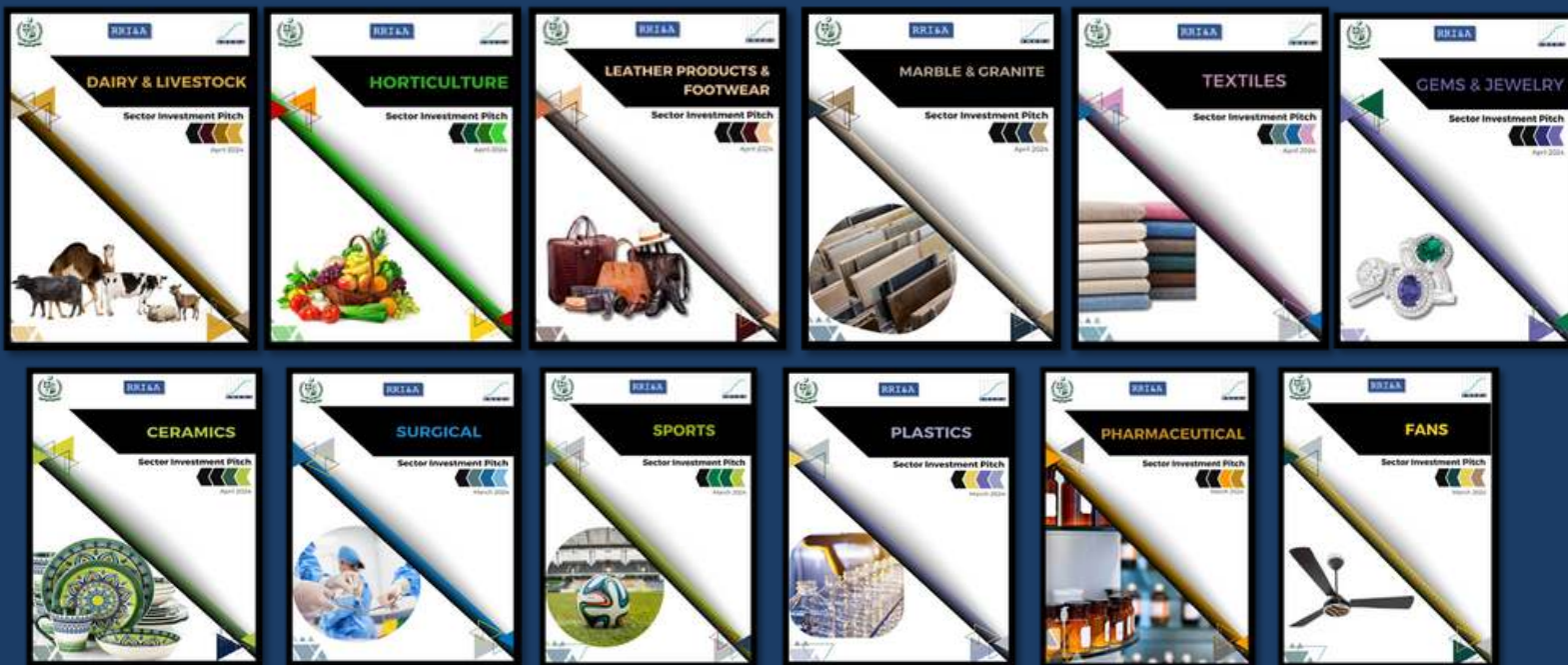


- Climate Change Vulnerability Index completed

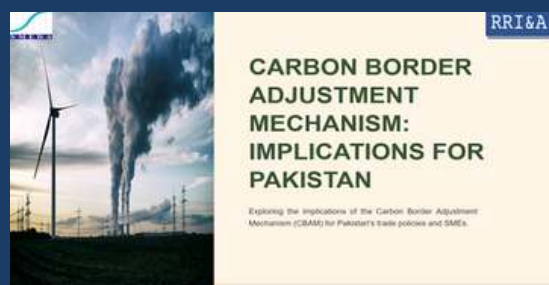
- Organized Cluster Studies Launch Event



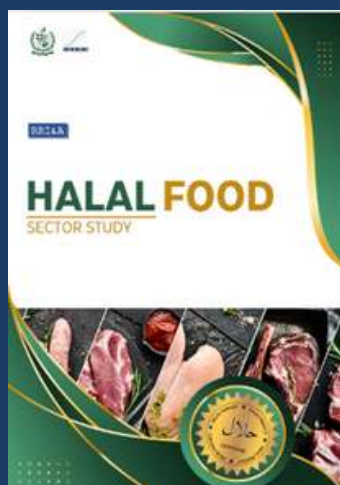
- 12 Sector Briefs developed



- Conducted Research on Carbon Border Adjustment Mechanism - Implications for Pakistan



- Sectoral Report on Halal Food developed



STRATEGIC PROJECTS & INITIATIVES

① Industry Support Program

ACTIVITY	PROGRESS
INTRODUCTION OF JAPANESE PRODUCTIVITY IMPROVEMENT TOOLS & TECHNIQUES	13 FACTORIES FACILITATED
INTRODUCTION OF MANAGEMENT PRACTICES/TOOLS FOR ENERGY CONSERVATION AND CO2 EMISSIONS REDUCTION	26 ENERGY CONSERVATION AUDITS CONDUCTED
FIRE SAFETY ASSESSMENT - OCCUPATIONAL HEALTH AND SAFETY (OHS)	3 FIRE SAFETY ASSESSMENTS COMPLETED
TRAINING AND AWARENESS PROGRAMS	45 TRAINING SESSIONS CONDUCTED
INTRODUCTION OF IOT SOLUTIONS	PRESENTATIONS ON IOT IN 3 SME FACTORIES.

Watch Webinar on Energy Conservation & Efficiency Opportunities in Industries



Watch Tutorial on Basic of Fire Safety for Industries



BEST PRACTICE MANUALS/TECHNICAL GUIDES



[Download All
Technical
Guides](#)

② SMEDA-UNIDO ENERGY DESK



04 Training Programs Conducted

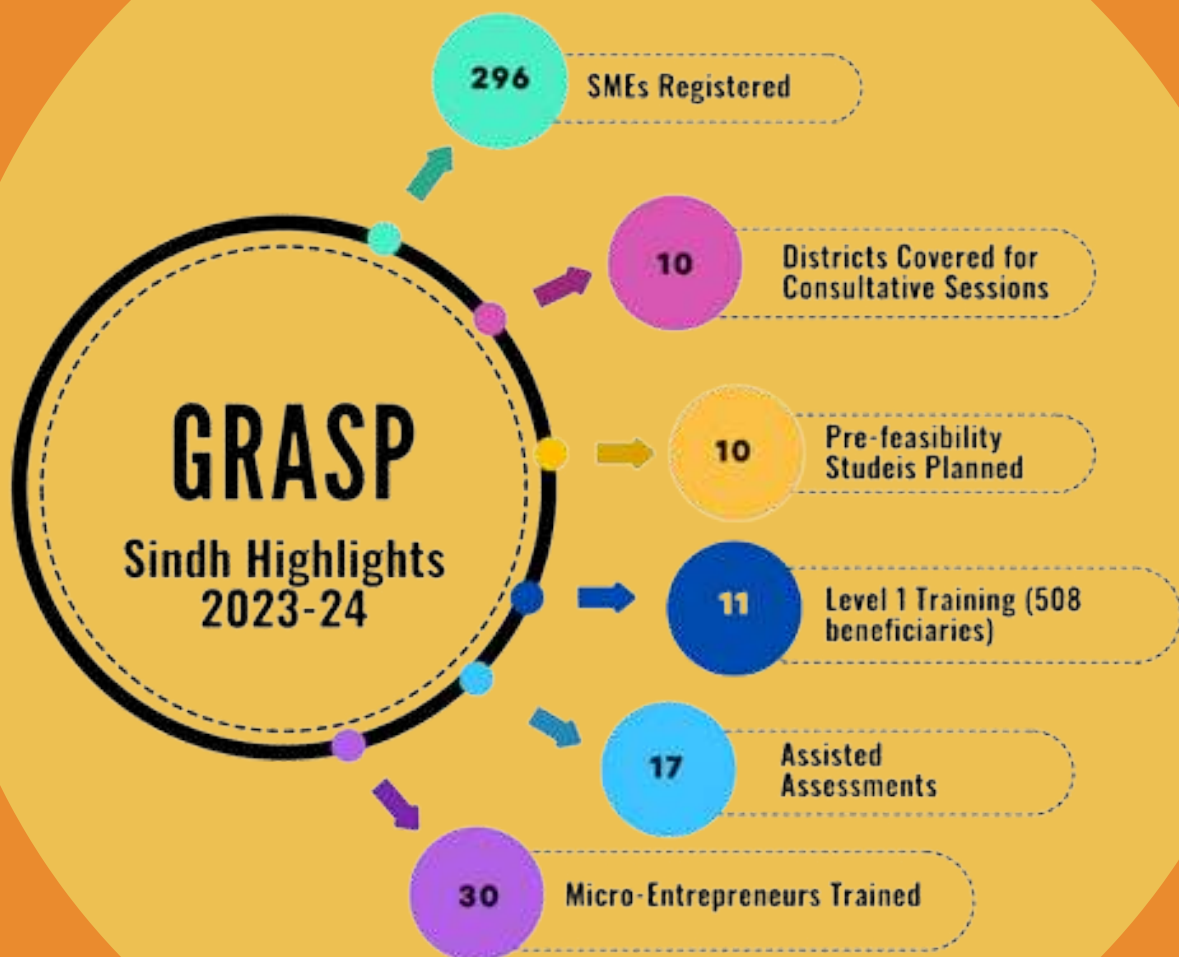


Energy Audit Facilitation
Extended to 5 SMEs

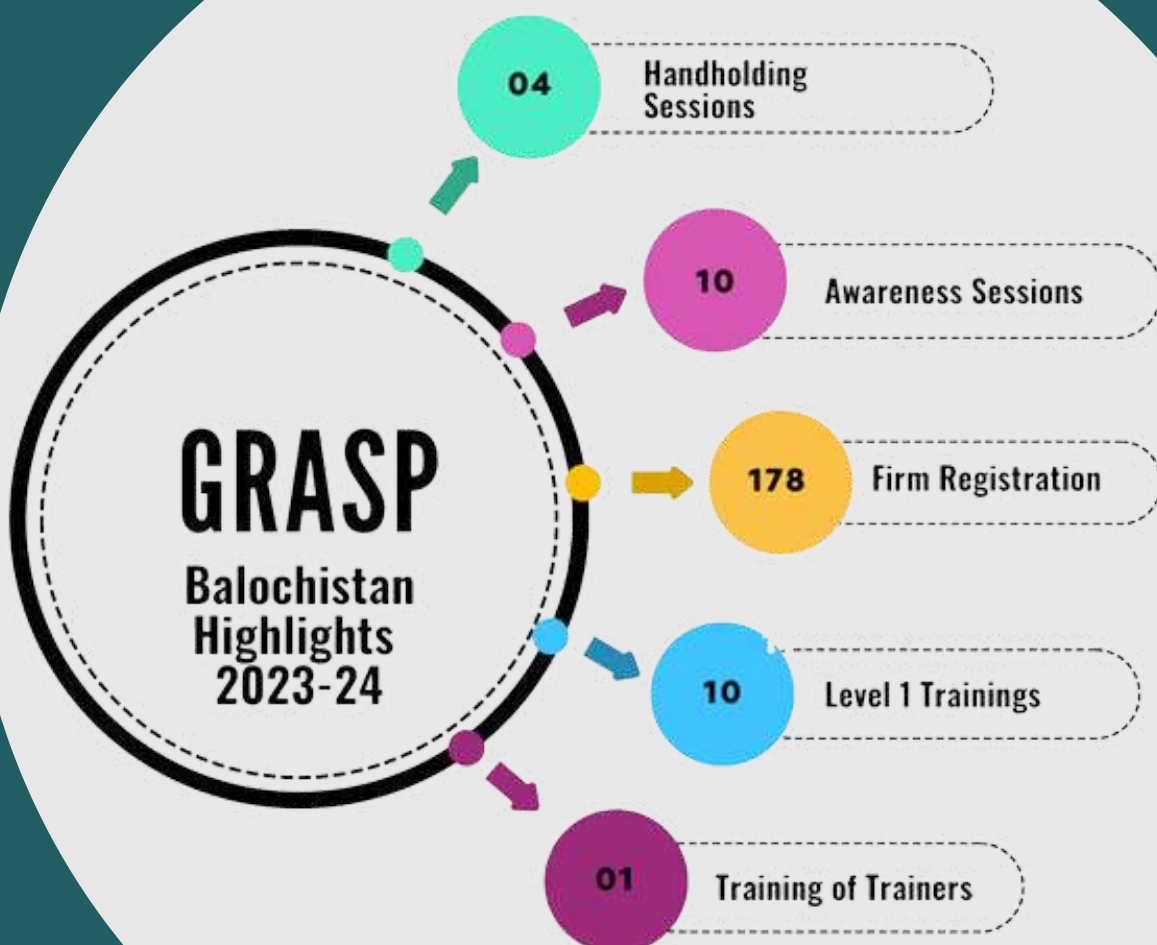
GROWTH FOR RURAL ADVANCEMENT AND SUSTAINABLE PROGRESS (GRASP)

GRASP is a five-and-a-half-year EU funded project that aims to support livestock and horticulture sectors in the Sindh and Balochistan provinces.

Sindh Achievements



Balochistan Achievements



INSTITUTIONAL STRENGTHENING & SHAREHOLDER NETWORKING

6

LOCAL MEMORANDUM OF UNDERSTANDING SIGNED WITH:

- Legal Aid Society (LAS)
- Punjab Small Industries Corporation (PSIC)
- LOU with Office of the Chief Secretary, Gilgit-Baltistan (CS-GB)
- The Punjab Information Technology Board (PITB)
- Urban Sector Planning & Management Services Unit (Private) Limited
- The Office of The Federal Tax Ombudsman (FTO)

COLLABORATION WITH OTHER ORGANIZATIONS

- International Labour Organization (ILO) – Study on “Mapping of Barriers & Opportunities to Reduce the Informality of Enterprises in Pakistan”



- Lahore School of Economics – Joint Research Collaboration



- Centre for Economic Research in Pakistan (CERP)



EXTERNAL RELATIONS

EBDS WING

DONOR RELATIONS WING

E-BUSINESS DEVELOPMENT SERVICES

Introduced a new Employee Management System

SMEDA One Window (Design & Development)

Creation of a new website for RRI&A

IT & ITes Sector Brief

ReMIT E-Learning Portal – Technical Review

Capacity Development on e-Filing and Office Automation

NFML - Fertilizer Track & Monitoring System

PASCO (Pakistan Agricultural Storage & Services Corporation) – Data Analysis

WEBSITE STATS



Download Stats

PRFEASIBILITY STUDIES

116,059

OTC DOCUMENTS

19,836

COMMERCIAL CONTRACTS

16,880

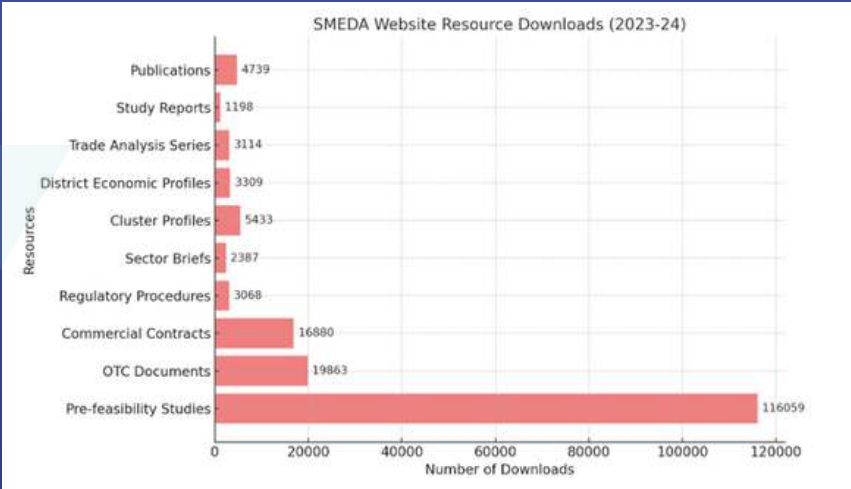
Website Visitors

84,478

VISITORS 2024-25

7,037

VISITORS PER MONTH



SOCIAL MEDIA MARKETING & CONTENT DEVELOPMENT



Social Media Stats

140,000 IMPRESSIONS

11,000 IMPRESSIONS

90,000 IMPRESSIONS

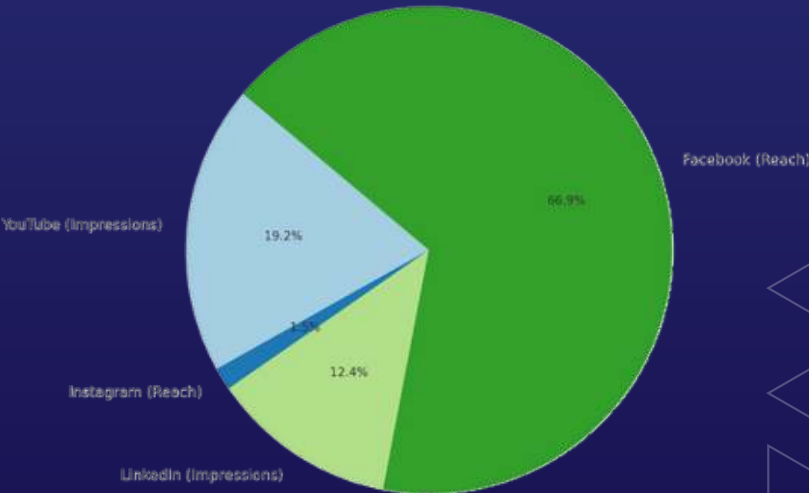
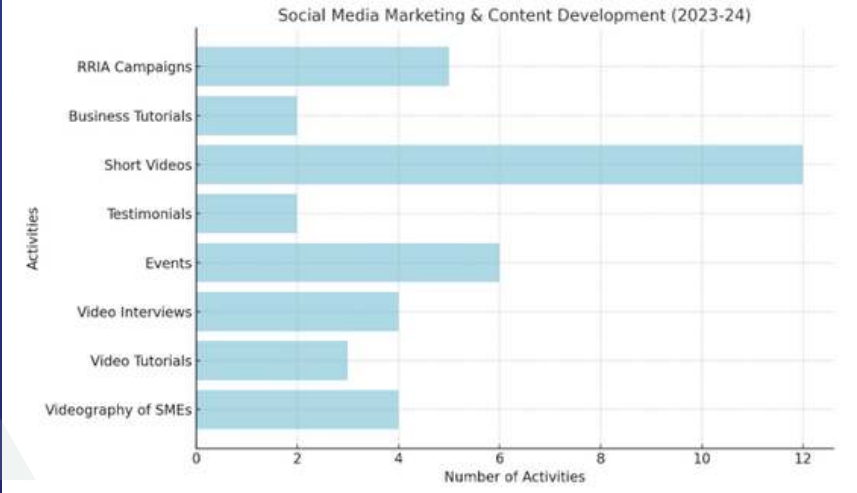
487,000 REACH

5,700 VIEWS

1,500 PROFILE VISITS

6,000 FOLLOWERS

114,100 PAGE VISITS



INTERNATIONAL RELATIONS WITH DEVELOPMENT PARTNERS

Fostering international relations with key development partners is essential for SMEDA to promote the growth and development of SMEs in Pakistan. Strategic collaborations leverage global expertise, resources, and best practices to enhance competitiveness and resilience.

Key Donor Funded Projects



Bananas in Pakistan's Bio-Economy

- Organization: Food & Agriculture Organization (FAO)
- Focus: Utilizing banana waste as a cotton fiber substitute in fashion and construction.



Women Inclusive Finance Program

- Organization: Asian Development Bank (ADB)
- Focus: Empowering women through financial services and training.



Climate Risk Mitigation – Training

- Organization: German Agency for International Cooperation (GIZ)
- This project involves training SMEs to mitigate risks associated with climate change.



Knowledge Sharing Program

- Country: South Korea
- Focus: Knowledge-sharing initiatives between Pakistan and South Korea, particularly in the field of SME development.



Empower Her

- Organization: Japanese International Cooperation Agency
- Focus: The project aims to support women entrepreneurs.

Bilateral Engagements



MOUs Signed



Kingdom of Saudi Arabia

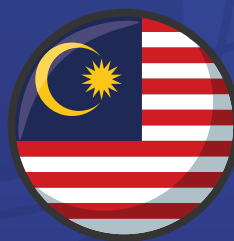


Republic of Azerbaijan

Planned MOUs



Bulgaria



Malaysia



Vietnam

Revival of MOUs



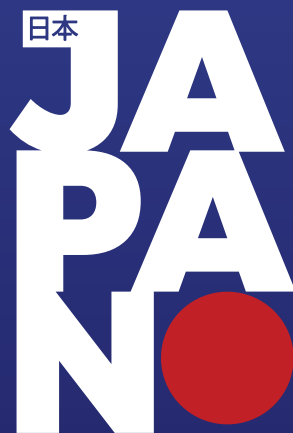
Tunisia



Poland

Partnerships with

- SME Support Japan
- membership in J-Goodtech, a Japanese SME support network.



Regional Cooperation & National Level Synergy

Ongoing Engagement

- Economic Cooperation Organization (ECO)
- Shanghai Cooperation Organization (SCO)
- Developing 8 (D8)
- Association of South East Asian Nations (ASEAN)
- Organization for Islamic Cooperation (OIC)
- South Asia Association for Regional Cooperation (SAARC)



Signed MOU with

D8



Policy, Advocacy, Research, & Publications

1

National SME Policy 2021



DOWNLOAD

01

REGULATORY & TAX ENVIRONMENT

168

REFORMS
IMPLEMENTED

82

NEW PROPOSALS FOR
PUBLIC-PRIVATE
DIALOGUES IDENTIFIED

ASAAN Karobar Act submitted to
Parliament

Proposal on Preferential
Public Procurement for
SMEs developed for the
provision of market
access to the SMEs in
public procurement.

02

PUBLIC PROCUREMENT

03

MARKET ACCESS

E-Learning Curriculum

- Description: Self-paced learning modules on exports for SMEs
- Development: Designed and launched an online platform

Capacity Development

- Programs: Organized 2 Training of Trainers sessions
- Outcome: Established a pool of master trainers

Sr #	Province	Applications	Registered	Sizing	In Progress
1	Azad Jammu and Kashmir	1	0	0	1
2	Baluchistan	38	11	11	27
3	Gilgit Baltistan	3	1	0	2
4	Islamabad Capital Territory	46	23	18	23
5	Khyber Pakhtunkhwa	89	36	26	53
6	Punjab	921	642	561	279
7	Sindh	257	160	135	97
Total		1355	873	751	482

Note: Sizing Count is subset of Registered Count

1,355

TOTAL APPLICATIONS

873

REGISTERED

751

SMEDA SIZE
CERTIFICATE

04

SME REGISTRATION PORTAL

Women Inclusive Finance

- Partner: Asian Development Bank (ADB)
- Objective: Enhance women's access to financial services and build their economic capacity

Women Entrepreneurship Policy

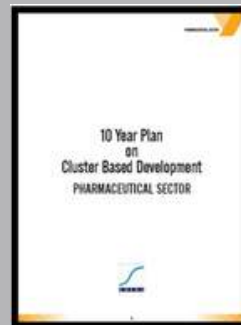
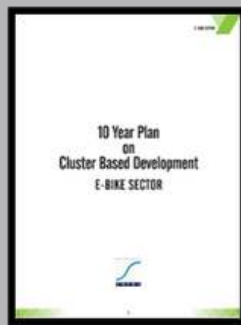
- Initiative: Development of the National Women Entrepreneurship Policy and Action Plan
- Purpose: Addressing challenges faced by women entrepreneurs

05

WOMEN ENTREPRENEURSHIP DEVELOPMENT

06 RESEARCH INITIATIVES

10 Year Plan on Cluster Based Development for SME Sector



Federal Budget Recommendations (2024-25)

KEY RECOMMENDATIONS

1. Develop 5 Year Fiscal Policy Framework that should be reviewed on yearly basis.
2. Simplified Taxation Regime (STR) turnover threshold be revised. IT & ITS sector be included in STR regime.
3. Taxation differential between AOPs and LLPs be addressed.
4. Revenue threshold may determine status of Withholding agent in case of small and medium enterprises rather than their legal structure i.e., AOP, Company, or Individual.
5. FBR may introduce an online module for SMEs to help them comply with withholding tax requirements. This could take the form of a system that automatically generates withholding statements for the quarter, which could then be updated by the taxpayer if necessary.
6. SME taxpayers are required to file 8 withholding statements i.e. quarterly, bi-annually, and annually in addition to annual income tax return. Reduce number of filing of withholding statements.
7. There are almost 24 incidents where deduction or collection of the Advance Tax is to be done by SME taxpayers. It is suggested to reduce the number of incidents where deduction or collection of the Advanced Tax is to be done by SME taxpayers.
8. The current withholding tax rates are 5.5% for supply, 11% for services, and 8% for contracts. Lower withholding tax rates to 1-3% for supply, 5% for services, and 4% for contracts.
9. Harmonization taxes and levies rates, numbers and collection systems at provincial and federal levels
10. Prioritize SMEs for pending payments of sales tax and duty drawback refunds. Process of refunds adjustment needs to be made easier.

KEY RECOMMENDATIONS (NON-TAX MEASURES)

1. Small and medium-sized surgical firms be provided compliance support to meet EU MDR standards
2. Initiate a technology acquisition financing scheme for exporters of surgical sector.
3. Streamline the ADRC with simplified applications, establish desks in chambers of commerce for assistance, and enhance transparency by publishing annual reports. Reviewing and potentially lowering the threshold limit for ADRC access can ensure broader justice accessibility.

SMEDA Research Initiatives & Publications



Business Guides

10 Business Guides

Business Guides offer comprehensive resources tailored to the needs of SMEs, providing essential insights on starting, managing, and growing a business. These guides serve as a vital tool for entrepreneurs, helping them navigate challenges and capitalize on opportunities.

7 Trade Analysis Series

SMEDA's Trade Analysis Series delivers detailed insights into market trends, export opportunities, and sector-specific challenges for Pakistani industries. These reports empower SMEs with essential knowledge and strategies to enhance their competitiveness and achieve sustainable growth in the global marketplace.



Trade Analysis Series



District Economic Profiles

17 District Economic Profiles

SMEDA's District Economic Profiles offer detailed insights into the unique industrial, agricultural, and infrastructural strengths of various regions in Pakistan. These profiles identify key investment opportunities, understand regional market dynamics, and address local industry challenges to promote targeted growth and development.

8 Cluster Profiles

SMEDA's Cluster Profiles offer comprehensive analyses of Pakistan's industrial and economic clusters, highlighting their growth potential and contributions to regional and national development. These profiles provide insights into strengths, challenges, and opportunities, guiding businesses and policymakers to enhance productivity, innovation, and competitiveness through strategic recommendations.



Cluster Profiles



Sector Briefs

3 Sector Briefs

SMEDA's Sector Briefs provide concise analyses of Pakistan's industries, highlighting key trends, market opportunities, and challenges. They offer insights into production processes and value chains, showcase government initiatives, and deliver actionable recommendations to support business growth and innovation.

4 Newsletter

A quarterly newsletter is published by SMEDA to provide a snapshot of the happenings in the SME arena and to highlight the activities SMEDA has been involved in, throughout the year. SMEDA Newsletter contains two sections: Urdu and English.



2 SME Observer

The SME Observer is a bi-annual publication that includes research articles related to SME sector, the business environment, economic statistics, trade, product analysis, macroeconomics policies, etc.



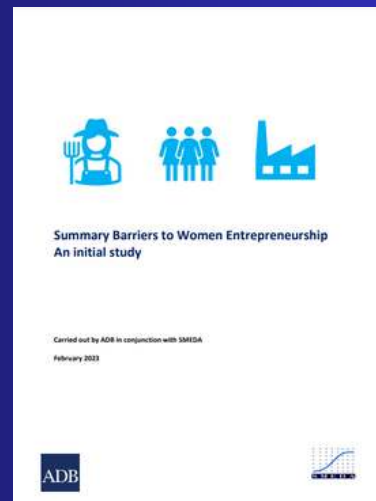
WOMEN ENTREPRENEURSHIP DEVELOPMENT

1 Women Entrepreneurship Policy

SMEDA, with the technical assistance from Revenue Mobilization, Investment & Trade (REMIT), an FCDO funded project, and UN Women developed a draft Women Entrepreneurship Policy (WEP) and action that provide a strategic roadmap, guiding government interventions, programs, and support mechanisms targeted for women entrepreneurs in the country.

The Policy Formulation Relied on the Following Steps:

- Diagnostic Study on Key Barriers to Women Entrepreneurs
- Hybrid Primary Research Survey
- Public-Private Sector Consultations
- Draft Women Entrepreneurship Policy and Action Plan



2 SMEDA's Participation in 11th WEXNET 2023, Expo Centre, Lahore, September 30 ~ October 02, 2023

- Sponsored 10 Stalls
- 18 WEs supported
- PKR 1.8 Million worth of sales made
- WEs interacted with 5,650 customers
- Dedicated SMEDA Pavilion

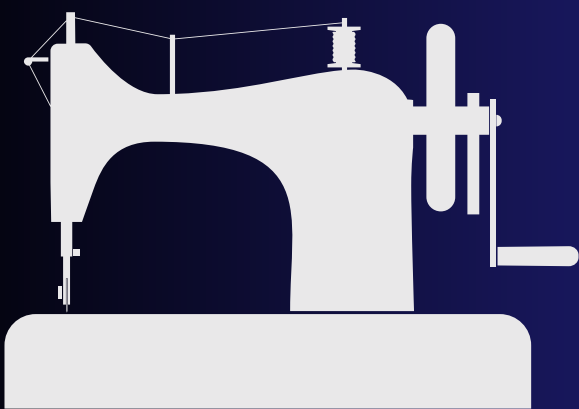


3 Women Inclusive Finance

- The Government of Pakistan partnered with the Asian Development Bank
- **Program Objective:** Enhance women entrepreneurs' access to finance through interventions including:
 - Developing institutional capacity in public institutions.
 - Increasing women's representation in the financial sector.
- **Program Components:**
 - **Total Funding:** \$155.5 million
 - **Policy-Based Loan:** \$100 million for legal and regulatory reforms to improve women's access to finance.
 - **Financial Intermediation Loan:** \$50 million to enable financial institutions to lend to women entrepreneurs.
 - **Grant:** \$5.5 million for legal reforms, women-focused lending, and related activities.

4 Workshops & Training Programs for WEs

- **Workshops on SMEDA Services for Students in various educational Institutes:**
 - Beacon House
 - IMS Peshawar
 - UCP Lahore
 - Fatima Jinnah Women University Rawalpindi
 - Jamia Naimia Sarjia
 - Girls Guide College Lahore
 - The University of Lahore
 - WCCI in Lahore, Multan, Islamabad, Sialkot, Bahawalpur
 - WBIC Swat
- **Awareness seminars and counselling sessions on PM Loan Scheme and Banking on Equality**
- **Training Programs:**
 - Entrepreneurship and Business Management
 - Financial Helpdesks in collaboration with Askari Bank, HBL, Bank Alfalah, SBP, First Women Bank Limited across Pakistan
 - Women Business Need Assessment Workshop WCCI-BWP
 - Digital Empowerment / E-commerce Training across Pakistan:
 - Starting and Managing Selling on Amazon
 - Online Business and Digital Marketing
 - Digital Transformation of Business
 - Start-up Management of e-Commerce Business



38 Industrial Stitching Units for WEs



23 WEs trained on Energy Efficiency