

**Strategic Intent and Conceptual  
Framework For the  
Yunus Social Business  
Fund Balochistan**



**Enterprise-led Development Approaches for  
Achieving the Balochistan Development Strategy**

# Strategic Intent and Conceptual Framework

for the

**Yunus Social Business  
Fund Balochistan**

**23 August 2018**

---

## CONTENTS

<i>From Professor Muhammad Yunus</i> .....	1
<i>Acknowledgement</i> .....	1
<i>Context</i> .....	4
Political Milieu .....	4
Economic Reality .....	5
Social Context .....	9
Technology Perspective.....	10
Laws and Regulations .....	10
<i>Stakeholders and their Role</i> .....	13
<i>Enterprise-led Development &amp; Social Business</i> .....	16
<i>Strategic Intent</i> .....	19
<i>Collaboration with Peers Worldwide</i> .....	21
<i>Capacities and Resources</i> .....	22
<i>Approach</i> .....	23
<i>Governance and Management Structure</i> .....	26
APPENDIX 1: Results Framework .....	27
APPENDIX 2: Pakistan & SDGs 2030.....	30

### **Acknowledgement**

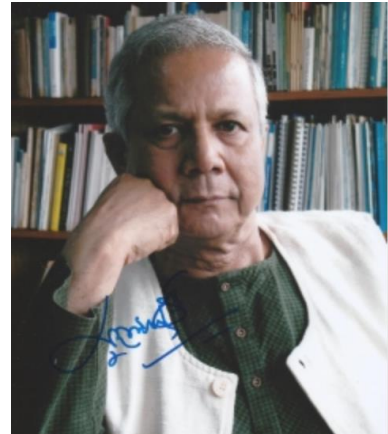
This document, drafted by Sarmad Khan with contributions from Faiz Shah, is the outcome of a three-day brainstorming session hosted by Taraqee Foundation in Quetta, Balochistan from 7-9 June 2018.

Participating in the program were representatives from:

- Government of Balochistan, Planning & Development Department
- Small and Medium Enterprise Development Authority, Provincial Office
- University of Balochistan
- Balochistan University of IT, Engineering and Management Sciences
- Lasbela University of Agriculture, Water & Marine Sciences
- Balochistan Development Network
- Rahnuma – Family Planning Association of Pakistan
- Water, Environment and Sanitation Society
- UNDP, Quetta Office
- UN Women, Quetta Office
- Asian Institute of Technology, Bangkok-Thailand

## ***From Professor Muhammad Yunus<sup>1</sup>***

I've devoted most of my life to working for the poorest people, particularly the poorest women, trying to remove the hurdles they face in their efforts to improve their lives. Since the establishment of Grameen Bank, I have created many other initiatives designed to broaden the system and make it more accessible to all. Working to provide banking to the poor led me to discover many other problems of the poor. I always tried to solve each problem by creating a new business. This approach made sense to me because businesses are naturally organized to achieve concrete goals—to provide goods or services that people need, want, and will pay for. This was the spirit that I tried to incorporate in my efforts to address people's problems.



Over time, starting businesses became a habit with me. Every time I confronted a problem, I created a business to solve it. Soon I had created many companies and company-like independent projects, providing goods and services for poor people that included housing, sanitary facilities, affordable health care, renewable energy, improved nutrition, clean drinking water, nursing education, and many more. When I started creating these businesses, I had no grand vision in mind. I was simply trying to address the most serious problems of the poor people I was serving. They were created as self-sustaining businesses, generating revenues through the sale of goods and services. I had to do it this way because otherwise the businesses would soon run out of money and cease being of use to anyone.

Eventually I realized that my experiments had led to the creation of a new type of business. I called it social business. I defined a social business as “a non-dividend company dedicated to solving human problems.” It was a concept that arose not from theorizing or speculation but from my practical experience working with villagers to solve tough social problems in one of the poorest countries on Earth at that time. I was amazed by the results. I found it surprisingly easy to solve a human problem by creating an organization designed as a business with the sole mission of providing a human benefit to those in need.

At first, I wondered why no one before me had come up with the concept of social business. Why had the world left the challenge of solving social problems to governments and charities alone? I found that the same tool can be used for a completely different purpose—namely, to solve human problems. Suddenly all the creative power of business could be marshalled behind the cause of making the world a better place.

A businessperson is supposed to be driven solely by self-interest. But human beings are not moneymaking robots. When I create a social business, I am allowing the selfless side of my personality to be expressed through business. Traditional economic thinking considers this impossible; it says that selflessness cannot be part of the business world and is only to be expressed in the world of charity. But why? Why shouldn't the business world be an unbiased playground offering scope for both selfishness and selflessness? Why shouldn't economics textbooks introduce two types of businesses to students—traditional self-interest-driven businesses and selflessness-driven social businesses?

<sup>1</sup>Professor Muhammad Yunus: A World of Three Zeros: The New Economics of Zero Poverty, Zero Unemployment, and Zero Carbon Emissions. New York, Public Affairs, 2017. Excerpted under permission 2018. Images from public sources.

---

In the decades since I began talking about social business, the concept has gone from being an obscure idea exemplified by just a handful of companies in Bangladesh into a worldwide movement, with advocates and practitioners in many countries all over the planet. Universities are opening social business centers where the idea is being studied, developed, and taught. Multinational corporations are coming forward to set up social businesses as independent companies. Thousands of young people are getting attracted to the idea and are launching entrepreneurial social business ventures to tackle social problems in their own communities.

To encourage these developments, my colleagues in the social business movement and I have created funds that provide seed money to help would-be entrepreneurs turn their dreams into realities. When young people come up with smart social business ideas, we invest in their companies, provide expert coaching and guidance, and help them achieve financial independence. Once they are successful, they buy back our investment shares without giving the investors any profit. The money is then freed up to help launch another social business, and then another and another.

We have also been creating social business funds to finance unemployed young people to become personal-profit-making entrepreneurs—job creators rather than job seekers. Existing conventional banks and financial institutions aren't designed to fill this need; they have no interest in getting involved with unemployed young people who have no collateral and no credit history. That's why special funds are needed for this purpose. Now many young people are coming forward to set up their conventional businesses in partnership with our funds. Out of this partnership, the social business funds get back their investment money, with no interest and no profit, plus a fixed transfer fee to cover their costs of administration.

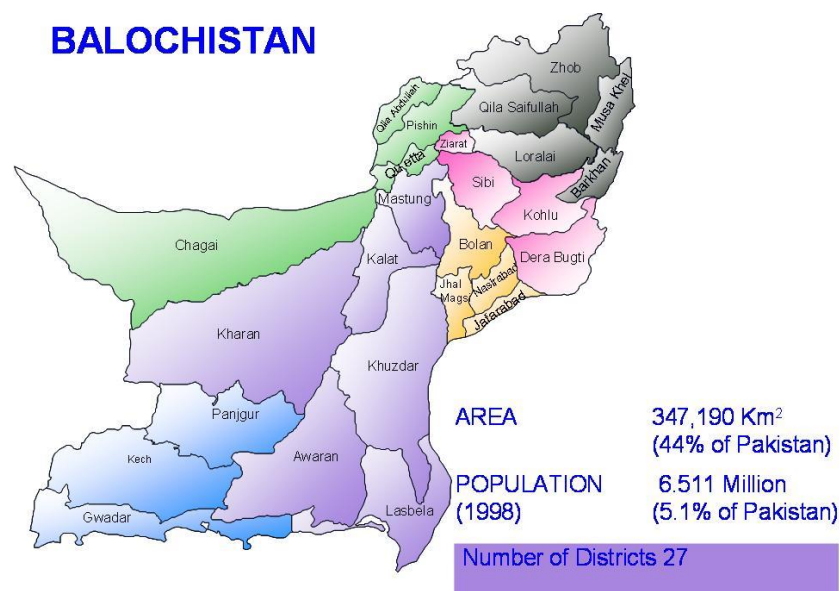
We've found that social business funds that finance entrepreneurship can be a powerful tool for lifting individuals, families, and entire communities out of poverty. Participants don't have to create a social business (although they can if they wish). They are financially self-sustaining and their profit does not get passed on to any owner or investor, except for paying back the original investment they made. Now our social business funds are approving an average of one thousand business proposals per month. Imagine—a thousand unemployed rural youth becoming entrepreneurs every month!



Social business is about using creativity to solve human problems in a sustainable way. No matter where they live, young unemployed people are primarily looking for a basic income to support themselves. But they also have a suppressed hunger for finding meaning in their lives. Fortunately, the current generation of young people is in a unique position to succeed in the quest for meaning once they feel relieved from the search for a basic livelihood. In addition, we can also create opportunities for millions of unemployed young people to put their wasted talents to appropriate use by treating them as entrepreneurs.

Today's rising generation—hundreds of millions of young people in cities, towns, suburbs, and villages around the world, from Bangladesh to Brazil, Albania to Haiti, India to Ireland, Japan to the United States—has the talent, energy, intelligence, idealism, and generosity to transform the world. Now we need to create the new economic system that will unlock their powers and allow them to realize their potential.

## Context<sup>2</sup>



The 2017 census places Balochistan's population at 12.3 million spread over 400,000 square kilometres. The province has the highest level of poverty compared to Pakistan's other provinces. UNDP's Multi-Dimensional Poverty (MPI)<sup>3</sup> study of 2016 places Balochistan's head count ratio (HCR) at 71.2%, which indicates the proportion of its population living below the poverty line. This is significantly higher than the national average of 38.5. The Pakistan Bureau of Statistics (PBS) reports Balochistan's overall unemployment rate at 3.9% for 2014-15. For women this figure is thrice as high. Each year an estimated 25,000 graduates emerge from universities in Balochistan, but only about 2,000 are able to secure jobs<sup>4</sup>, primarily in the Government sector.

The following overview of Balochistan's political, economic, social, technology, legal and environmental (PESTLE) context illustrates the socio-economic challenges the province faces, as well as points to the growth opportunities that remain untapped.

### Political Milieu

Economic growth is dependent, among other factors, on the opportunities for employment, and the productiveness of a workforce. It is customary to blame Balochistan's sluggish economy for not creating enough jobs. But the fact remains that the economic environment is not geared to creating economic opportunities for people outside of public sector employment. The government often expresses its commitment to providing employment, but there is little evidence of tangible incentives for people to create jobs from enterprise-led growth. As an example, the banking sector has no schemes for providing much needed start-up capital or operating finance to young people wishing to establish small businesses that may open up opportunities for self-employment.

Pakistan hosts 1.6 million refugees, which is the world's second largest refugee population according to the World Economic Forum. The predominant influx of has been from neighbouring Afghanistan. The

<sup>2</sup> Image source: [https://www.google.co.th/imgres?imgurl=http%3A%2F%2Fpamirtours.pk%2Fmaps%2FPD%2520Maps%2Fbaluchistan\\_districts\\_map](https://www.google.co.th/imgres?imgurl=http%3A%2F%2Fpamirtours.pk%2Fmaps%2FPD%2520Maps%2Fbaluchistan_districts_map)

<sup>3</sup>. Analysis covering education, health and living standards to calculate multi-dimensional poverty using Alkire-Foster Methodology.



---

refugees are seen to be taking over jobs they are ready to work at lower than market wages. A lack of attention at the policy- and governance levels is leading to trust deficit between the state and citizenry. Impediment to growth is also the prevailing security situation in the province. Recently, civil-military efforts have been able to overcome some of the violence and infiltration by external forces, but the challenge of restoring peace and a state of trust remains.



### **Economic Reality**

In 2008, the Government of Balochistan, together with The World Bank, the Asian Development Bank produced “Balochistan Economic Report”, which presented an assessment of the economic development potential of the province and recommended three interlinked strategies, namely, “delivering growth”, “providing services” and “financial development”.

For delivering growth, the provincial government was asked to look at its various comparative advantages in developing proven natural resources, taking advantage of the proximity with Iran to examine the viability of an economic conduit for oil and gas from Iran to Central Asia, via Balochistan. The port of Gwadar, and its significant potential to create trade advantages for Balochistan, as well as the rest of the country depends upon “deepening its capacity of value addition and strengthening the foundations of business activities”. For providing services the Government would need to improve public management, through more effective devolution, and scaling up basic services with innovative approaches involving the private sector and local communities. For ensuring financial development the recommendation pointed to ways of expanding the revenue base and adding quantum to the development pool of the province. Given the vastness and remoteness of its landscape, the strategy also emphasizes its focus on bringing people into development so that there equity in growth and development.

---

<sup>4</sup>. <https://www.dawn.com/news/1274809>.

In 2013, the Government of Balochistan, with support from the World Bank and UNDP commissioned two separate but linked studies. The first one, ‘Balochistan Development Issues’ (BDI), identifies key underlying causes of under-development in the province and presented recommendations for the provincial government. The second one, ‘Balochistan Development Strategy – 2013-2020 (BDS)’, shows that Balochistan’s GDP growth, at 4%, is one percentage point lower than that of other provinces. UNDP is further supporting Planning & Development Department of the Government of Balochistan in revising the BCDS and its linkages with SDGs and China-Pakistan Economic Corridor (CPEC). Its new name is Balochistan Comprehensive Development and Growth Strategy (BCD&GS). It is hoped that BCD&GS (2019-26) will be ready by the end of this year.

The report pointed out that Balochistan’s GDP must grow at 6.5-7.0% in order to absorb current unemployment and the prevailing development lag. BDS points to ‘endemic poverty’, a weak private sector, and low-skilled manpower, as particularly significant factors that continue to hamper growth and job creation in Balochistan. In response, the Government of Balochistan has initiated a stipend-based skill development program targeting 30,000 youth, particularly women who wish to train to become nurses or midwives. Similarly, a specifically targeted micro-finance program aims to improve livelihoods for 50,000 women.



A critical aspect that will determine the success of these programs would be to identify the specific skills and the particular growth enterprises that require strengthening in order to create long-term employment and growth impact. Experience confirms that job creation springs primarily from a vibrant private sector, driven by market demands and having the capacity to meet consumer needs. Balochistan visibly lacks such an impetus. Consumer spending is low, and the cost of sales and distribution for goods and services is high because of poor infrastructure and security. As a consequence, a thriving grey market of smuggled goods and untaxed services strangulates genuine enterprise.

In parallel, there is significant gap in skills and capacity that equip even citizens with formal education to take advantage of entrepreneurial opportunities even where the government creates incentives such as those under BDS. Together, these two critical handicaps create an enormous challenge that cannot simply be met with supply side measures such as stipends or micro-lending programs. The BDS emphasizes that a vibrant private sector and trained human resource is a prudent recipe for growth and



---

development, and that preparing young people to become economically productive must remain a core priority.

Almost half of Balochistan's population is between the ages of 15 and 34 years<sup>5</sup>. This youth dividend comprises over 6 million potentially productive citizens until 2030. Given Balochistan's estimated multi-dimensional poverty index (MPI) of 72.2%, there are 4.4 million young people who now live under the national poverty line. The 3.9% unemployment rate translates into 173,000 unemployed youth added to the prevailing unemployment backlog every year to this figure may raise it much higher.

For Balochistan to post a 6.5-7% per annum growth rate, ways will have to be found for maximizing the potential of young people, by making available the appropriate skills, exposure, resources and incentives that can multiply opportunities and jobs. At the same time, jobs and productivity cannot operate in an entrepreneurial vacuum. The Government of Balochistan has a challenge in creating a policy environment and regulatory frameworks that facilitate small and medium enterprises by encouraging micro-entrepreneurs and businesses that create positive social impact.



That the government recognizes this is evident from the program initiated by the Small and Medium Enterprise Development Authority (SMEDA) to impart entrepreneurial skill trainings to youth in 40 different trades. However, the 8,000 young people emerging from SMEDA's programs struggle to find employment because there are not enough matching opportunities available in the job market. There appears a need to improve the match between skills imparted by SMEDA and the jobs available in the private sector.

By launching a provincial Skill Development Fund, with the support of the Taraqee Foundation and the Pakistan Poverty Alleviation Fund, the Government appears to be focusing on the inclusion of youth by providing them skill development opportunities for ultra-poor populations' mainstreaming through provision of income generation opportunities to upraise their social and financial status and contribute to poverty eradication. Under the current phase of said project Taraqee Foundation brought an innovative intervention through collaboration with skill development institutes nationally. The skill development trainings in various market oriented trades are focusing 220 youth from Balochistan via residential trainings to be provided with internationally recognized certifications. After successful completion of trainings the targeted youth will be provided with overseas employment opportunities in

---

<sup>5</sup>. <http://www.pbs.gov.pk/sites/default/files//LabourForce/publications/lfs2013-14/t06-pak-fin.pdf>. Figures from 2013-14.

gulf countries enabling them to gain livelihoods and support their families to overcome the extreme poverty.

In any case, spending public funds towards developing employable youth in an environment where there is minimal job creation in the private sector may not be the most appropriate strategy. Experience from fast-growing economies confirms that given the right incentives within effective regulatory frameworks, the private sector will itself invest in training manpower for the jobs it creates. The key investment for the success of the BDS, therefore, appears to be in grooming a whole generation of entrepreneurs.

Agriculture has been the primary occupation in Balochistan, and even today, more than half of its labour force remains associated with agro-based work. However, with water resources becoming sporadic and insufficient due to climatic shifts<sup>6</sup>, and the disruption of traditional sub-ground irrigation systems, the contribution of agriculture to the economy of Balochistan is dwindling. This also means an upward trend in into unemployment and poverty rates. The BDS (2013-20) recognizes this impediment and prioritizes water storage from floods as a measure of providing water for irrigation purposes. It recommends that there is a need to integrate the current highly segmented water economy that comprises 18 river basins. Flood water accounts for almost two-thirds of the total water available, but is not effectively utilized due to wastage and poor stewardship.



The China-Pakistan Economic Corridor (CPEC) has been conceived as a comprehensive package of cooperative initiatives and projects benefiting Balochistan. CPEC covers key areas including connectivity, information network infrastructure, energy cooperation, industries and industrial parks, agricultural development and poverty alleviation, tourism, financial cooperation as well as livelihood improvement including municipal infrastructure, education, public health and people-to-people communication.

<sup>6</sup>. ADB (2005): Technical Assistance Report; Islamic Republic of Pakistan: Balochistan Economic Report. Page-2. <https://www.adb.org/sites/default/files/project-document/68721/39003-pak-tar.pdf>

---

Linking Gwadar with Kashgar through CPEC and onward with Central Asia is aimed at improving Pakistan's trade and investment relations with China as well as Central Asia. It is hoped that at some point in time the Iran-Pakistan gas pipeline project could be extended to include China in it as well. The importance of Gwadar seaport for trade between the Persian Gulf and the western part of China, which includes the Middle Eastern oil is also underscored by the fact that it could reduce the time taken for goods transportation to that part of China by around two weeks or more. In terms of distance, the PCEC would reduce the trade route distance of 16,000 km between the Arabian Sea and the South China Sea to 2,500 km. Construction of an oil pipeline from Gwadar to Kashgar through a distance of around 2,500km to carry Middle Eastern oil is also envisioned. The PCEC is also considered important for China's trade with Afghanistan as well as its strategic projection into West Asia and African markets. The CPEC is a huge programme helping the government to achieve the overarching objectives of BCDS (2013-19) and the expected BCD&GS (2019-2026) strategies.

### **Social Context**

Balochistan remains a culturally conservative society, with strong tribal identities and clan loyalties. Gender roles remain segregated within a hierarchical social order. This is true for all ethnic groups. Livelihoods typically derive from agriculture and livestock, with very low value-addition. Other than a few low-skilled openings offered by mining and light manufacturing companies, the bulk of job opportunities are generated by the government or urban-based private sector organizations. This results in a relatively higher ratio of unemployment.



A major challenge for Balochistan is increasing the participation of women in the economy. According to the PBS, the female participation rate in Balochistan is 18.3% as compared to Pakistan's average of 22%. Employment outside the home remains elusive as a livelihood option, even for skilled women, except for a handful, and then in a select few careers. Only programs designed firmly within the cultural context of Balochistan have a chance of success.

Social services are not well-developed compared to the national average, even where government infrastructure exists. In response, a number of community development approaches have been implemented to create social resilience and self-reliance. Among these, the most effort has gone into social mobilization approaches being implementing at the community level. As a result, citizen awareness about their rights and responsibilities have registered an increased. All this may not have



translated into life skills and livelihood option. This means that there is a need now to link the awareness gained over the past decades with economic opportunities through enterprise-led development approaches.

### Technology Perspective

Efficient technologies for drinking water and sanitation are not available. With the population spread thinly over its huge physical area is also a challenge for cost-effectively and efficiently providing reaching out to service providers. The BDS (2013-20) realizing this challenge has proposed to work on alternate sources of energy like solar... The development of wind resources is constrained by many factors and need to be addressed (BDI, Page 12). There are also impediments to using new technologies in the education and health sector. Health sector has a combination of issues such as weak governance, under-developed human resources, poor infrastructure and the challenging physical and demographic characteristics of the province. There is a need to look at ways and means to provide medical outreach through mobile medical care and other efficient technologies facilitating medical outreach.



### Laws and Regulations

The regulatory environment, coupled with social pressures, creates a restricted business environment. In 2015, The World Bank ranked Pakistan 148<sup>th</sup> among 160 countries for ease of doing business<sup>7</sup>. The barriers to encouraging business growth related to regulatory bottlenecks include bureaucratic processes requirements, lack of access to capital or credit, high cost of utilities, power shortages, unfriendly tax culture, and un-enforceability of contracts.

<sup>7</sup> World Bank: Ease of Doing Business 2017

---

There is a need to review systems that can promote ease in doing businesses. Presently in Balochistan systems to promote private sector need to be reviewed. These systems will help create an environment in which business concerns will invest in the province. The banking system which currently is politicized, and favouring a few, needs to be corrected through changes in lending operations. Favourable to open and transparent system of lending for small business will encourage citizens, especially the youth, poor and women to borrow and initiate new opportunities of improved livelihoods and create impact on the economy. The Government of Balochistan also has undertaken a huge initiative of establishing a Balochistan Bank and this would be an opportunity to establish such operational procedures that would help doing ease in business, and to initiate new opportunities of improved livelihoods and create impact on the economy. The Government of Balochistan also has undertaken a huge initiative of establishing a Balochistan Bank and this would be an opportunity to establish such operational procedures that would help doing ease in business.



### **Environmental Milieu**

Conventional wisdom of macro-economic growth automatically contributing to individual welfare as the state will reinvest in people through higher growth has been receiving a challenge. Countries have been developing but have the people developed is a real time issues. In the sixties, Pakistan was moving up the economic ladder but wealth created was being concentrated in the hands of a few families. Hence, the movement of nationalizing big private enterprises into public hands was started in the seventies. Experience, however, showed as a result of this policy growth retarded as public sector inefficiencies was not conducive to growth. At the same time, geese that were laying the golden eggs were strangulated and the economy started facing a downturn.

There is a need to revisit this conventional wisdom of macro-economic growth and automatic trickling down benefit effects on people. A targeted approach to development both at the macro as well as micro level is important. Macro-level can be approached in so many different ways. However, it is the micro level which needs urgent attention. At the micro-level, targeting the youth, poor and women will help



unleash a potential of self-growth and at the same time contribute to the economy. Targeting has to be gradual but taken to scale so that it creates the potential of positively impacting economic growth.



The BDS (2013-20) rightly recommends such a targeted growth strategy and envisaged reduction of MPI from its current 72% (2014-15) to 25% by 2020. An evaluation of this has yet to take place whether such a reduction has taken place or otherwise. As the provincial economy is moving only at 4% and unemployment at 3.9% the rate of MPI reduction envisaged may prove a challenge. There are still two more years to the strategy left and right steps even at this stage will help create a good foundation of reaching the goal of halving poverty by 2030<sup>8</sup>. One such program that can help create an opportunity to dent poverty is the Yunus Social Business (YSB).

---

<sup>8</sup> Goal 1 of the SDGs, Target 1.1, Indicator 1.2.2 – Reduce at least by half the proportion of men, women & children of all ages living in poverty in all its dimensions.

## Stakeholders and their Role

The provincial government, political parties in power, businesses, UN offices and international funding agencies, civil society organizations, micro-credit or grassroots service providers, youth groups, academic institutions, and the mass media, all are primary stakeholders for the work that the proposed YSBF aims to undertake.

Among key secondary stakeholders are political parties not in power, consultants supporting conventional development approaches, development partners, and religious entities or institutions.

The table below summarizes an overview of the described stakeholders, outlining what each listed stakeholder might contribute to the success of YSBF, or any possible challenges it may potentially pose to social business initiatives.

During the initial phase of YSBF strategy implementation, a distinct effort will be directed to managing risks from primary stakeholders, categorized as medium and high.

**Table-1: STAKEHOLDERS' ROLE – CONTRIBUTION AND CHALLENGE**

	ROLE CONTRIBUTION	CHALLENGE
PRIMARY	<ul style="list-style-type: none"> <li>- Provincial government</li> <li>- Political parties</li> <li>- Youth groups</li> <li>- UN-agencies</li> <li>- Academic institutions</li> <li>- Print and electronic media</li> </ul>	<ul style="list-style-type: none"> <li>- Provincial departments i.e. Finance, Labour &amp; Manpower, regulatory authorities, NAVTEC</li> <li>- Corporate sector</li> <li>- Social media</li> <li>- Commercial banks</li> <li>- Religious institutions</li> </ul>
SECONDARY	<ul style="list-style-type: none"> <li>- Political parties not in power</li> <li>- Consultants supporting conventional development approaches</li> </ul>	<ul style="list-style-type: none"> <li>- Political parties in Power</li> <li>- Large conventional development partners</li> </ul>

### Provincial government

The provincial government is providing the main leadership role in facilitating and strengthening YSBFB. In particular leading from the front is the Planning & Development Departments and has allocated initial seed money, is lobbying with all potential donors for providing complimenting resources for its financial sustainability. Small & Medium Enterprise Development Authority (SMEDA) is a government enterprise promotion agency and would complimenting the initiatives of YSBFB in the province. The department of Finance, Labour & Manpower, the regulatory authorities as well as National Vocational and Technical Training Commission of Pakistan (NAVTEC) can oppose the creation of YSBFB. Currently the likelihood of

its occurrence is classified as “medium risk” but the impact of this risk is envisaged to be high. Effort by the P&D Department and YSBFB is directed to bring on board the leadership of these entities and clarify any challenging issues.

### **Corporate Sector**

Mainstream companies currently play a relatively limited role in social development of Balochistan. There are a number of potential private sector entities such as Engro, Unilever, or members of the Balochistan Chamber of Commerce, who are known for their well-designed CSR or public philanthropy initiatives. These and similar commercial enterprises can be strong and consistent allies, and hold a critical key to unlocking employment-creation potential Balochistan’s young people. The banking subsector has a significant as provider of loans and financial products potential entrepreneurs. The government is open to supporting YSBFB in attracting private sector investment so as to further leverage development opportunities and jobs created as a result of private enterprise. The likelihood of the private sector increasing its social impact investments Balochistan is low in the present circumstances, and therefore the risk of failure of YSBFB’s effort can be assumed to be high. The government, donors and YSBFB need to work closely and with positive synergy to ensure that any policy or structural impediments that stand in the way of enterprise-led development initiatives are effectively removed in good time. Only a verifiable sense of security for investments as well as programs will attract private participation. A number of concurrent dialogues will be required p with the private sector in the very design stage.

Micro-credit organizations working currently in Pakistan are expected to provide positive impetus to the business culture and enterprise promotion in the province. The current loaning policies of commercial banks in Balochistan are not conducive to easing business initiatives. This is a high risk area and the government will have to work with YSBFB to influence transformational change in the operational part of loaning by banks. This will not only help in facilitating local entrepreneurs in seeking loans but will also encourage private sector to initiate big programs in the province.

### **Political parties**

There are two types of political parties, namely those in power and those in opposition. The parties that come into power will have a bearing on the success of YSBFB. The previous political leadership provided huge political support to YSBFB. General elections will be held in Pakistan including provincial elections in Balochistan on July 25, 2018. YSBFB management is actively engaging political decision-makers to include priority support for YSBFB in party manifestos of major political parties. This way the high possible risk expected can be reduced to “low” ranking. This effort has led to at least one political party prioritizing YSBFB in its election manifesto.

### **Youth groups**

Women men youth will be the primary drivers of the enterprise-led development of YSBFB. There are youth groups in the shape of boy scouts and girl guides, youth assemblies that will also be part of this initiative. The current analysis of the youth stakeholder is of high likelihood and low risk.

---

## **UN-agencies**

Initially UN-Women, UNDP & UNHCR are supportive and are committed to supporting YSBFB. Their contribution towards development of this strategy is also commendable. The UNDP already has in its programme design opportunity to link it to YSBFB through its “Innovations” initiative. UN-Women can also be linked with this programme as it will focus on promoting women entrepreneurs.

## **Academic institutions**

Balochistan Women University, University of Loralai, University of Balochistan are the initial primary stakeholders of YSBFB. All these institutions will have YBCs and as more universities get connected to this programme a network of outreach will begin to emerge. These academic institutions are envisaged to have an extremely positive influence on YSBFB.

## **Conventional development partners**

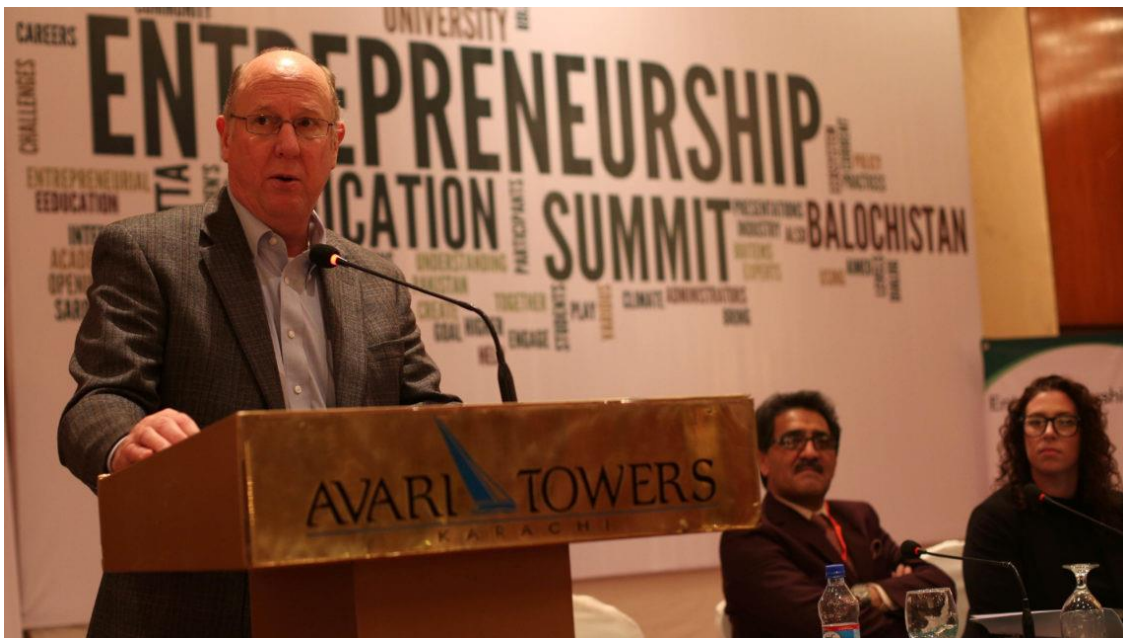
Enterprise-led development is a new concept in Pakistan and is surely will be considered challenging the conventional approach of social mobilization-led development. There are civil society organisations with practice, massive outreach and portfolio by using the later approach. This is a high risk area for YSBFB. The senior management of YSBFB envisages this as high risk area and is working to engage with these entities so that the element of completion or take over perspective is well addressed reducing the present high risk as a low one. Constant engagement with these types of stakeholders would be required and ways found to create synergies rather than working at cross-purposes.

## **Print and electronic media**

This is another very positive set of stakeholders’ that would help YSBFB create outreach and tapping prospective entrepreneurs and in disseminating successes. The present Balochistan live media is a great prospect of creating a foothold and further strengthening this process by bring in more media houses into active play.

## ***Enterprise-led Development & Social Business***

Maturing over the past half-century, the discipline of human development has evolved and matured in two distinct and often intersecting trajectories. One thrust is exemplified by governments investing tax revenues and effort into nurturing an inclusive, responsive and accountable welfare state grounded in rights-based approaches, democratic systems, and state-supplied social services. The other is reflected in the global phenomenon of foreign aid, characterized by well-targeted programs aimed at supplementing government efforts in providing social services or substituting state social service delivery systems with parallel mechanisms managed by non-governmental organizations (NGOs).



Both development pathways have traditionally intertwined. Governments have engaged closely with international development agencies to address national development priorities. Foreign-funded citizens' organizations have shown that it is possible to fill gaps in the government's ability to deliver social services by social mobilization and capacity-building at the local level. Successful partnerships between governments and funded NGOs have been able to maximize the impact of foreign funding by leveraging each other's strengths.

However, it is only in the last decade or so that the enterprise sector has come to be recognized as a potential partner in development. The relationship between development practitioners and the enterprise sector has transformed rapidly from open hostility to shared objectives. Clearly, this transformation is driven on the one hand by the need for resources, which neither governments nor development funders have the means to create or multiply in the required volume, and on the other, by the corporate sector's own fast-enhancing capacity to identify and address development-related issues to guarantee their license to operate.

Leaders in government, international development and business have found platforms to engage in building consensus and shared value. They have begun to discover that their respective strengths are



---

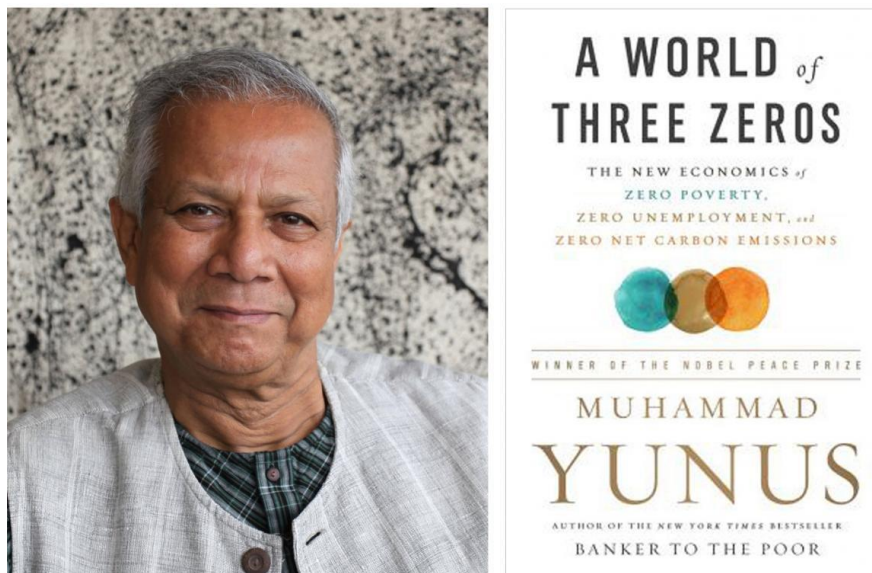
multiplied manifold through collaboration. This emerging synergy has been no less than a paradigm shift in the development discourse and practice.

Businesses, particularly large multinationals, continue to transform from being a source of donations to becoming active partners in the design, development and delivery of community-level solutions to social problems. Many in government and the international funding community recognize that business may be the most sustainable driver of development. Examples from Bangladesh to Colombia and Haiti, to Nigeria and Timor Leste, all confirm that the power of enterprise can deliver social well-being.

Conversations around enterprise-led development are shaping a new generation of leaders, inspired by the promise of emerging disruptive technologies, and the heightened awareness that comes with ubiquitous social media and a shrinking world.

Enterprise-led development in its essence is an idea that sees businesses solving social problems. Not by giving away their profits in charity, but by designing business models that earn business owners profits by offering goods and services that solve a social problem.

Early examples of this emerge from the Orangi Pilot Project in Pakistan, followed by Sarvodaya in Sri Lanka, which were then refined and taken to global scale by BRAC and Grameen in Bangladesh. Professor Muhammad Yunus is recognized for his work on micro-credit for the poorest and the most marginalized. His experience has led to his introducing a new kind of enterprise, which he calls Social Business.



Professor Yunus' model places enterprises at the heart of problem-solving at the grassroots. A social business is a for-profit enterprise that competes in the market just like any other business. The only difference is that a social business is a non-dividend company, whose profits do not enrich a handful of investors, but society at large. A social business brings together the engine of enterprise and the goal of charity. It merges market-competitive products and services with philanthropic intent, in a way that the more a social business grows, the more it contributes to the development of society.

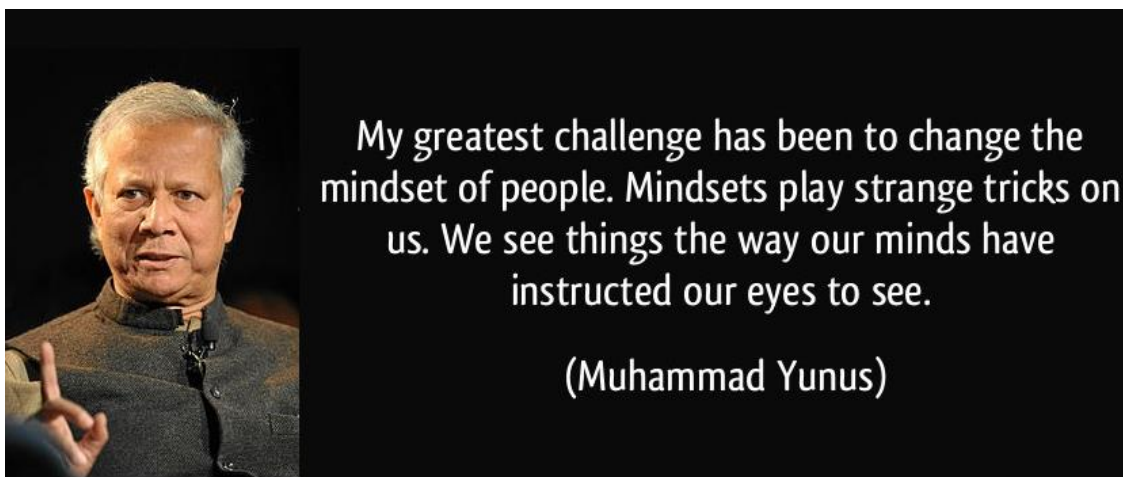
In its two recognized forms, a social business creates jobs, pays taxes, empowers citizens, and in Yunus' words, creates job creators rather than job seekers. The key success that the Grameen model has demonstrated is that the benefit that a social business is able to create is directly proportional to its success in the market.

Yunus' position that market-based approaches to development reduce risk to investors, increases attraction for philanthropic donors, accelerates social innovation, builds collaboration, and in general assures greater long-term survival. These qualities make social business models more sustainable by definition, because the more successful social businesses are in achieving their business objectives, the more they are able to contribute to more prosperous world.

There is widespread agreement on the importance of the Sustainable Development Goals (SDGs) to the future of our world community. Enterprise-led development is already seen as a tool for achieving the SDGs. Indeed, practically every one of the SDGs is in itself a social business opportunity. The last SDG is "Partnerships", which indicates how critical collaborations are to the SDGs' and to the future of our society.

In the context of the Balochistan Development Strategy, this new thinking and the emerging approaches and tools of Social Business, are crucially important. For the past two decades at least, a number of remarkable social mobilization initiatives have built awareness and skills among Balochistan's diverse and scattered communities. This widely available social capital is a key to the success of an enterprise-led development approach that leverages well-tested Social Business models translate awareness and skills into business success that simultaneously achieves business objectives and sustainable development goals.

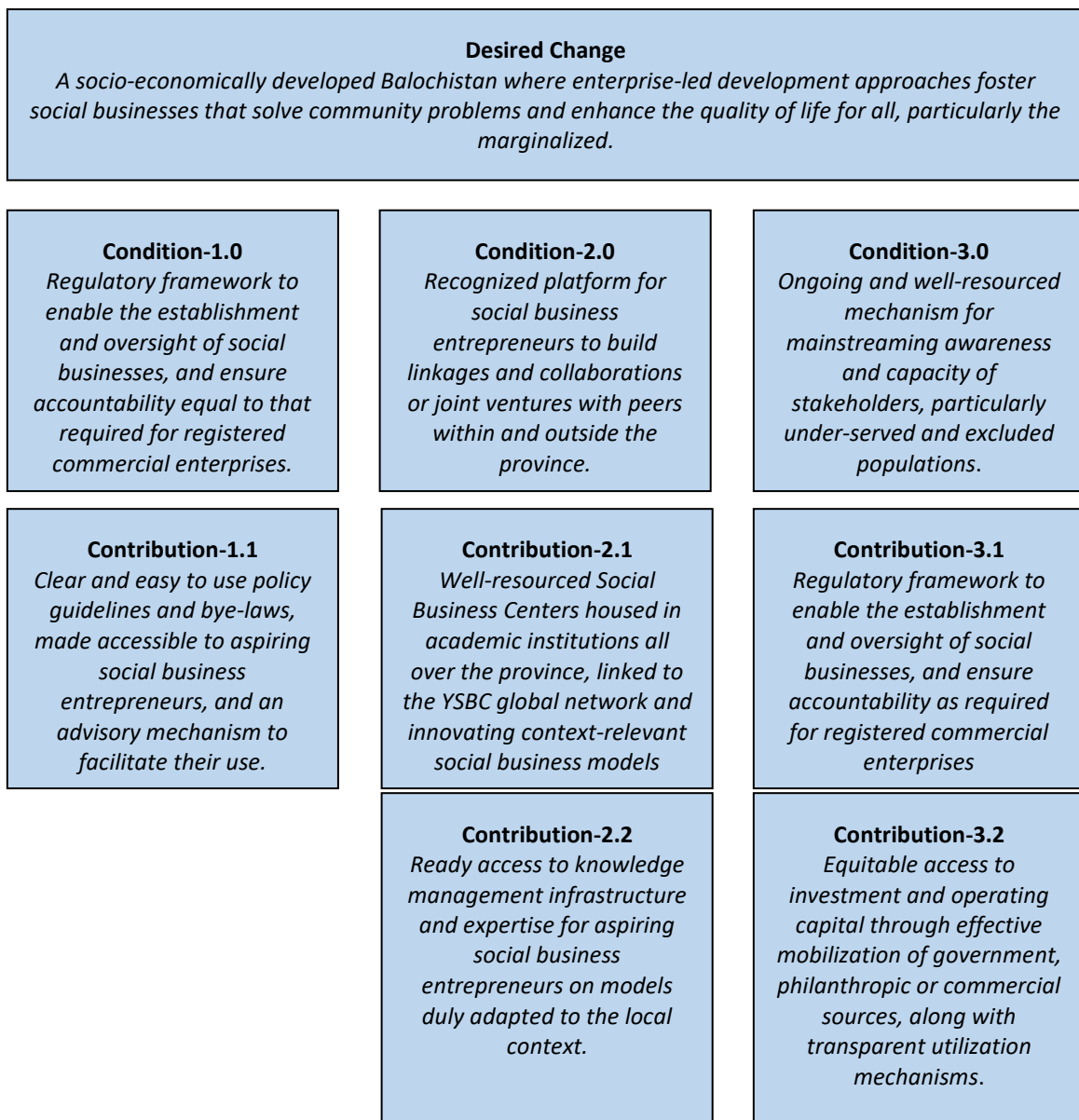
A USAID report covering remarks by its head, Mark Green, says "it is clear that business is good for development, we also recognize that development is good for business". It's time to look at development from a fresh perspective. It requires a change in mind-set.



## **Strategic Intent**

The effective and successful implementation of the Balochistan Development Strategy 2013-20 (BDS) requires transformational change in the way it aims to deliver. Any transformation is guided by a clear vision of what the desired change will be, and particular conditions that must be fulfilled to accomplish it. Creating the right conditions requires specific contributions – by people as well as organizations – that ensure well-coordinated progress towards achieving the vision.

For the Yunus Social Business Fund Balochistan, the desired transformational change means a state of socio-economic well-being propelled by enterprise-led development approaches. Central to this vision is the concept of social business – described by Muhammad Yunus, and successfully implemented in a number of countries – summarized below:



## Regulatory Framework for an Enabling Environment

### Legislation and Operating Ecosystem

Given the environment in general is less friendly to doing business, it is important to review existing legislation for creating an enabling environment. Providing loans to the youth, poor and women who have no experience of undertaking a small business venture is a challenge.

The civil society activists in Balochistan have already mooted a Yunus Social Business Fund, Balochistan (YSBF) for which the provincial government has indicated the allocation of seed capital. To provide an anchor for the YSBF's activities, a number of Yunus Social Business Centers (YSBCs) are planned. The first one, in the University of Balochistan, has been provided facilities as well as a coordinator. Another one is being planned for the University of Lasbela within this year.

YSBCs are mandated to initiate, and then establish themselves as an access point for all potential beneficiaries, especially youth, the poor and women, in accessing opportunities such as self-employment and small business setting up small businesses that have social value. YSBCs aim to become the hub for social business. All efforts of campaigning for attracting potential entrepreneurs through print and electronic media will be undertaken. The population of Balochistan has the largest 45% area of Pakistan and house to only 5% of the national population. A network of YSBCs across the province will be important to attract potential entrepreneurs so that all remotely placed potential entrepreneurs are netted into this program. A network of such centers will be established in all universities across Balochistan. This is important to manage providing access to starting business opportunities for all the widely spread out and hard to reach under-served and the excluded.

**THERE IS CURRENTLY NO SE-SPECIFIC LEGISLATION IN PAKISTAN. HOWEVER, VARIOUS NATIONAL POLICIES AND PROGRAMMES DIRECTLY AND INDIRECTLY IMPACT SEs. THESE INCLUDE:**

- 1.** Any legislation, policy or programme that targets SMEs or MSEs directly or indirectly and is likely to include SEs
- 2.** Any statutory law, regulatory requirement and procedure that has an influence on the nature or structure of the SEs
- 3.** Any policy or programme that is targeted at the socio-economic wellbeing of the low income and marginalised population and focuses on employment generation or livelihood
- 4.** Any policy, strategy or framework that supports economic growth and development, with a particular focus on small scale industries that have the potential to influence SEs
- 5.** Any initiatives taken by the private sector, NGOs, civil society, government bodies and other stakeholders that may have relevance to SEs in Pakistan



YSBCs will help place qualified people to nurture young entrepreneurs in developing proposals that will run through series of peer reviews so that these ventures are doable enough to be put in to live action. There will be a committee that will finally review the finalized proposals with the help of the YSBFB staff and approve actionable ones. In the first year the fund will start with only up to three such social businesses and these can be in water, sanitation, education, and/or health sectors. There will be a constant oversight on the implementation of the businesses so that these are successfully taken forward, documented and shared widely. As the practice becomes embedded, growth in promoting social businesses will also incrementally increase.

---

## Collaboration with Peers Worldwide

### Global Partnerships

All new initiatives cannot be made successful by a single entity although an entity has to take lead in designing and nurturing the vision for lasting benefit for whom it is intended to benefit. A coalition of organization that demonstrate similar thinking, will be encouraged to rally around the YSBFB, with a common or shared purpose. Fortunately, for the YSBF, there are stakeholders within Balochistan internally, regionally and global organisations that can provide huge support for its success.

The Government of Balochistan is a real time catalyst to promote business development for denting poverty, reducing unemployment and carbon emissions. By providing seed money and continued institutional support to the fund is its real asset for its growth and success. The civil society in Balochistan is rallying around this idea and these include the Taraqee Foundation, Balochistan Chamber of Commerce, UN agencies (UNDP and UN-Women), SMEDA, WES and others. There is the well-established YBC at the Asian Institute of Technology (AIT) in Bangkok that has enriched knowledge and networks of social businesses developed that are of huge benefit to this newly starting initiative in Balochistan. The mother of all YBC located in Bangladesh will be a huge resource to tap in while the fund grows from strength to strength.

The YSBFB has the patronage of the founder of YSBF and all its subsidiaries in the world by Professor Yunus. The Grameen Creative Lab and Yunus Social Business (YSB), both based in Germany are resource for back stopping the design lab activities in Balochistan. A common sharing platform will be created for learning exchange programs involving potential entrepreneurs, government officials and the YSBFB staff. The social business experience of “Golden Bees” headquartered in Kampala, Uganda is a good example of the success of the program. ‘Golden Bees’ is a social business whose mission is to bring beekeeping within reach of thousands of small Ugandan farmers<sup>9</sup>. Grameen Bank launched a joint venture with Danone (multinational food company in France) to bring yogurt fortified with vitamins, minerals and other essential nutrients to the under nourished children in rural Bangladesh. Work of YSBF and Danone clearly shows that the YSBF model offers an opportunity to develop such coalitions that multinationals, which otherwise are targeted for ruthless profiteers can help local poor people with their welfare options<sup>10</sup>.

YSBFB aims to become part of the fast-growing movement of Social Business. It aims to learn how YSB has succeeded in creating 2,000 social businesses a year. The volume of newly trained YSBC entrepreneurs will initiate the process of boosting economic growth for the province.



---

<sup>9</sup>. Muhammad Yunus (2017): A World of Three Zeroes.

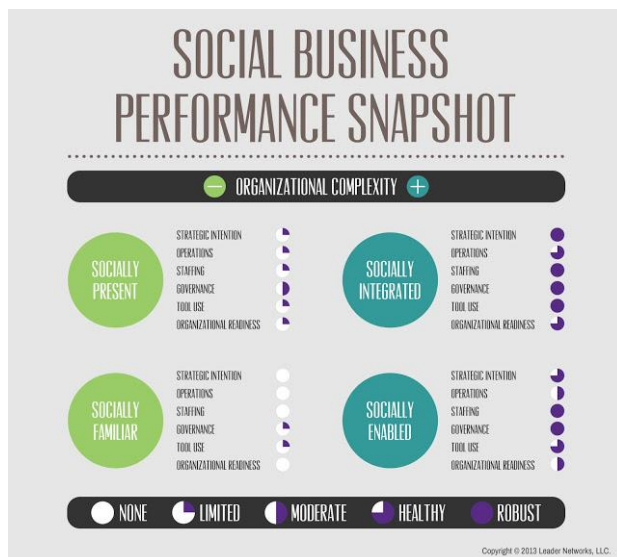
<sup>10</sup>. Ibid.



Consequently, when poverty and unemployment show a downwards trend, it can help boost the volume of services and products to the market economy. The more volume of small business in the market, the more impetus to the growth to the provincial economy.

## Capacities and Resources

Social businesses are targeted programs. Not only are these programs transparently targeted at the underserved and the excluded but are targeted from planning to implementation to a successful business outcome. The YBC has the capability to identify, nurture, prepare, especially the youth poor and women in successfully pursuing a social business. The social business is for the benefit of the targeted population. All social businesses developed by YSBF are with the purpose of providing self-employment opportunity to entrepreneurs but at the same time they provide service to intended beneficiaries. In the process they make profit but selflessly serve communities with services and products that benefit them as well. Concentration of wealth is not in a few hands as in current conventional wisdom of capitalism but is distributed in terms of cost effective services and products.



The YSBFB will need financial resources to incrementally promote social businesses by identifying, nurturing and making change happen in partnership with prospective entrepreneurs. Right at the outset, a design lab is being established and beefed by placing qualified professionals who could lure in potential social enterprise youth, poor and women. They will after careful identification of potential social business entrepreneurs' work with them to prepare viable proposals. This will be the nurturing process as collectively entrepreneurs are targeted. The ideas on starting small businesses of all prospective entrepreneurs will be nurtured in this design lab.

Upon careful development of doable business options are prepared, the finalized proposals will be presented to a high powered review and approval committee of the YSBFB. The approved proposals will be provided funds by YSBFB. The work does not finish here and the design-lab professionals will have well tested systems and nurturing approaches, being gathered from regional centers in Bangkok, Bangladesh and Germany, in making the approved business a stunning success. The process of adding volume to potential small businesses entrepreneurs will be incremental.

The Government of Balochistan has already provided seed money to YSBFB and is willing to provide further resources as the program takes off. Small is beautiful will be the way forward for this fund to establish itself and grow from strength to strength. In the first year a small number of potential entrepreneurs will be identified and nurtured to develop, secure, implement and make them successful.

---

All processes covering these aspects will be supported by already well tested systems and approaches of regional and global YBCs in Bangkok, Bangladesh and Germany.

For maintaining oversight upon the approved businesses and for nurturing entrepreneurs during implementation, the already developed software for tracking progress on approved business, including profits and service provision, is already developed by Grameen Bank and will be used. The software and its dashboard facilities will help in tracking progress in businesses on daily basis.

## ***Approach***

### **Collaboration**

Our approach will be of leveraging collaborations so that greater outreach to potential youth, poor and women entrepreneurs can be achieved. This is particularly important in order to address the given physical context of Balochistan of thinly spread population and living sporadically across its vast landscape. **Rightly and boldly leading** from the front for YSBFB is the **Government of Balochistan**. The government is actively supporting, facilitating and acting as a catalyst in promoting this program. This program completely compliments the aspirations of the government expressed so clearly in the BDS (2013-20). The government also rightly does not desire to come into its operational framework but would retain oversight of the progress and provide adequate support when needed. The other peer supporting groups hail from the corporate sector, universities, UNDP, UN-Women media, civil society, Balochistan Chamber of Commerce and of course to top it the all-important prospective small social business entrepreneurs waiting to be tapped to unleash their potential. Existing coalition and collaboration between YSBFB and similar well underway YBCs located in Bangkok, Germany and mother of all based in Bangladesh will also take place.



### **Focused on the Under-Served and the Excluded**

Our approach is a targeted one and will be identifying the vast majority of particularly the 200,000 youth, poor, and women in the next 12 years till 2030. Encouraged by these private initiative of

individuals, the private sector will also be invited to expand operations in the province. These may include Engro, Unilever and other big companies that help boost private sector through coalitions to start investments in the province. The government will play the leading role in convincing and encouraging these and other potential companies to come and invest and help expand job market for especially the unemployed youth, poor and women.

### Nurturing local entrepreneurs till successful outcomes

Currently running programs helping to support communities build their livelihood options. The only impediment has been that once resources intermediary support (e.g. NGOs) recede, for various reasons, the process of development is stalled, retarded or gradually weans off. The beauty of the social business is that once a doable opportunity is created and funded becomes sustainable. The intermediary support mechanism nurtures from planning to success in a given period and lets empowered entrepreneurs take it sustainably forward. At the same time this approach also sustainably provides services and products to the service seekers at their door step. The YSBFB will follow this targeted and nurturing approach to make every venture successful so that quantum added to this pool is a holistic success for contributing to the provincial economy.



## Social Impact Mentoring Program



---

## Everything will contribute to the SDGs

The purpose is to support government strategy to halve (multi-dimensional) poverty by 2030 (from 72 to 25%<sup>11</sup>) in line with the SDG Goal 1, target 1.1 and indicator 1.2.2. YSBFB will directly targeting 6 SDG Goals. These include SDG-1 (Poverty)-5 (Gender Equality), SDG-8 (Decent Work and Economic Growth), SDG-10 (Reduced Inequalities), SDG 19 (Climate Action), and SDG-17 (Partnership for the Goals). These have been captured in the Results Framework for YSBFB). All remaining Eleven SDG Goals has a good probability to be targeted when small businesses relevant to them will be able to come live on ground.



## Learning and Documenting Successes as Small Enterprise-Led Growth Expands

YSBFB is a new and pioneering initiative in Pakistan. Our careful approach is to focus intensely on all stages from planning-to-successful-outcome part of YSFB cycle. There will be special studies conducted to longitudinally evaluate the ventures. For this purpose the network of YBCs established and strengthened in universities of Balochistan will be the knowledge-hub for this purpose. As the program expands further YSBCs will be established in cooperation with all the universities so that knowledge products could be developed and widely shared. The YSBC being established in the Women University of Balochistan will particularly supporting the fund in capturing gender perspective. For this purposes a partnership with reputable international universities across the globe will be explored and brought into engagement. The coalition for this purpose between Balochistan universities and reputable international universities would also be value added for the former.



Yunus Center AIT



---

<sup>11</sup>. The BDS (2013-20) targets to reduce to halve by the strategy period 2020. This may not be possible looking at the current poverty estimates in a short time left for the strategy. The provincial government may consider extending the strategy period up to 2030, compatible with SGD targets.



## ***Governance and Management Structure***

### **Overall Policy and Strategy Support**

Dr Muhammad Yunus is the overall patron for the YSBF for Balochistan. He along with all the relevant professionals working for YSBF in Bangladesh or located elsewhere will be accessible for providing advice and support.

### **Board of Directors**

A formal Board of Directors is being formed with initially 5-8 members. The members are currently being drawn from the provincial government (ex-officio), corporate sector, development sector and civil society activists. The Board of Directors will initially ratify the currently under preparation draft constitution and other statutory documents of YSBFB. The Board of Directors will be setting policy and supporting the management in lobbying for resources and other support required. The Government of Balochistan desires to remain as a catalyst but will maintain oversight and an active facilitating role for the benefit of the program.

### **Management**

The Management of the fund will be headed by the Team Leader, who is already in place. As the program is expected to incrementally grow therefore an incrementally growing human resource placement will also take place. However, there are broadly two sides of the program the main Head of Business Services and Head of Support Services. Initially the Head of Business Services will be undertaking fund management, business modelling and business outreach functions. In the first year of the program, Taraqee Foundation (TF), based at Quetta, Balochistan, and with huge development practice and outreach as its background experience, will act as back stopping support to this fund. Therefore, the three technical functions of Head of Business Services will be supported by relevant professionals of TF. Same would be the manner of engagement between the two organisations for the support of Head of Support Services.

As the program starts to expand, given adequate resources, the management will incrementally hire independent professionals for these functions. At its full potential, these functions of YSBFB, both business development and support services, would start functioning as independent units. Initially the **Design-Lab** will be with the Head of Support Services and TF senior M&E staff would be providing all adequate technical support. The Board of Directors will approve and retain oversight over implementation on all prospective small business that would be supported by YSBFB.

### **Seed Money and Resources Required for Year-1**

The Government of Balochistan has already provided PKR 50 million for starting this programme in the province. Given the five year strategic thrust of the YSBFB plan would need an additional PKR 110.905 million in the first year for its operations. This includes mobilization of PKR 100 million from donors. Initially the programme without donor support will start with a little over PKR 10 million.

## APPENDIX 1: Results Framework

Narrative Summary	Obj. Verifiable Indicator*	Means of Verification	Assumptions
<p><b>Desired Change</b> Socially and economically developed Balochistan where the marginalized are capitalizing on social business opportunities and generate well-being by 2030</p>	<ul style="list-style-type: none"> <li>• Proportion of marginalized population are sustaining on business opportunities and improving their well being</li> </ul>	<ul style="list-style-type: none"> <li>• Government/ YSBFB Survey reports</li> <li>• Impact Assessment Reports</li> </ul>	<ul style="list-style-type: none"> <li>• No major disaster or drastic change on government policy takes place</li> </ul>
<p><b>Strategic Objectives</b></p> <ol style="list-style-type: none"> <li>1. Regulatory framework created and an enabling environment for social business to flourish is in place</li> <li>2. Collaborations and joint ventures with organisations of similar objectives regionally and globally are promoting social businesses</li> <li>3. Capacities of stakeholders', particularly of the under-served and the excluded, and availability of adequate resources for promoting social business</li> </ol>	<p>1.1 Number of regulatory frameworks that help implement investment promotion regimes are in place</p> <p>2.1 Number of science and/or technology cooperation agreements and programmes between YSBFB and other entities effectively contributing to social businesses.</p> <p>3.1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions#</p> <p>3.1.3 Proportion of women aged 15-49 years who make their own informed decisions#</p> <p>3.1.4 Average hourly earnings of female and male employees, by occupation, age and persons with disabilities#</p> <p>3.1.5 Unemployment rate, by sex, age and persons with disabilities</p> <p>Proportion of youth (aged 15-24 years) not in education, employment or training#</p> <p>3.1.6 Growth rates of household expenditure or income per capita among</p>	<ul style="list-style-type: none"> <li>• Survey data</li> <li>• Government statistics</li> <li>• SDG reports</li> </ul>	<ul style="list-style-type: none"> <li>• Government support to YSBFB continues</li> <li>• Stakeholders' provide support and facilitate where relevant</li> <li>• Donors' continuously support the programme</li> </ul>

	<p>the bottom 40 per cent of the population and the total population</p> <p>3.1.7 Proportion of people living below 50 per cent of median income, by age, sex and persons with disabilities</p> <p>3.1.8 Number of countries that have communicated the establishment or operationalization of an integrated policy/strategy/plan which increases their ability to adapt to the adverse impacts of climate change, and foster climate resilience and low greenhouse gas emissions development in a manner that does not threaten food production (including a national adaptation plan, nationally determined contribution, national communication, biennial update report or other)</p>		
<p><b>Results</b></p> <p>1.1 Policy environment through government initiatives providing continued enabling environment for entrepreneurs to unleash their potential of social development</p> <p>2.1 Adopting tested models of design labs and for social development business and adapted to the context of Balochistan</p> <p>2.2 Creating and strengthening Yunus Centers across Balochistan with</p>	<ul style="list-style-type: none"> <li>• GoB undertakes number of legislative and operational measures easing our opportunities for doing business and development</li> <li>• Number of tested models adapted in the context of Pakistan</li> <li>• Number of new models approved and effectively implemented by women and men entrepreneurs</li> <li>• Number of effective initiatives with support from YBCs in Bangkok, Bangladesh, Germany,</li> </ul>	<ul style="list-style-type: none"> <li>• YSBFB Evaluations and impact assessments</li> <li>• Donor reports</li> <li>• Government reports</li> <li>• Media reports</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>

support from Yunus Center at AIT Bangkok	France and Japan established, nurtured with high success rate		
3.1 Capacities of entrepreneurs built and viable social development business options developed, reviewed and implemented.	<ul style="list-style-type: none"> <li>Number of women and men entrepreneurs demonstrating effective utilisation of social business development and implementation skills.</li> </ul>		
3.2 Resources mobilized through government and donor sources for funding social development business	<ul style="list-style-type: none"> <li>Amount of resources mobilized through government, donor and private sector sources that successfully fund incrementally growing social business in Balochistan</li> </ul>		

#### **Activities##**

- 1.1 Comparative Analysis Study (0.5)
- 1.2 Result shared with stakeholders (0.005)
- 1.3 Policy Dialogues (NA)
- 1.4 BSSIF and YSBFB are operationalized (0.2)
- 1.5 Annual Conference (2.0)
- 1.6 PSDP Releases Funds to YSBF (NA)
- 1.7 Continuation extension & sustainability (1.0)
- 1.8 Provincial Social Business Fund Strategy Paper

- 2.1 Models Testing and adopted contributing SDG (1.0)
- 2.2 Establishment of 2 YC in Balochistan based Universities (5.0)
- 2.3 Initiation of short courses on YSBFB at one of the YSBC in Balochistan (0.5)
- 2.4 Two exposure visits to international YSBC (0.2)
- 2.5 Initiation of Diploma Courses at Universities (1.0)
- 2.6 Engagement of 10 internees and Researchers (5.0)
- 2.7 Two training of Entrepreneurs/Stakeholders (0.5)
- 2.8 Exposure Visits of Stakeholders Business initiative in South Asian countries (1.0)
- 2.9 In-country exchange Business exposure visits of successful model (1.0)

- 3.1 Mobilized from donor (100.0)
- 3.2 Action plan for donor to mobilize the financial resources has been planned and developed (NA)
- 3.3 List of potential donors have developed and initial contact has been established (NA)
- 3.4 Linkages developed through success stories highlighted at Media (NA)

\*- Indicators with # are SDG indicators.

##- Figures in parentheses against each activity are estimated budget in million PKR



## APPENDIX 2: SDGs and the Social Business Nexus



**SDG-1: No Poverty:** The first sustainable development goal aims to “end poverty in all its forms” by 2030. Since the government has signed up to SDG 1, they can be asked to adopt the equivalent of USD 1.25 per person a day as an official poverty line. The SDGs can also be used to push for a quick consensus on ways of measuring “poverty in all its dimensions according to national definitions”.

**SDG-2: Zero Hunger:** By 2030, Pakistan aims to “end hunger and ensure access for all, especially for the poor and vulnerable, to nutritious and sufficient food the year round.” By signing on the SDGs, the government has committed to ending all forms of malnutrition. Pakistan is producing enough food, and can easily afford to provide adequate nutrition for all citizens. It is a question about asymmetric income and wealth distribution which, in turn, results in iniquitous access to food.

**SDG-3: Good Health and Well-being:** With Goal 3 – promoting good health and well-being – calling for an integrated approach crucial for progress across multiple goals, including alleviating poverty and hunger, the focus includes a commitment to end the epidemics of AIDS, tuberculosis, malaria and other communicable diseases by 2030. It also aims to achieve universal health coverage, provide access to safe and effective medicines and vaccines for all.

**SDG-4: Quality Education:** Goal 4 prioritizes equitable quality education and promoting lifelong learning opportunities for all. This goal has seven targets and three means for implementation, covering all levels of education; from early childhood, primary to secondary, technical vocational for decent jobs,

---

and university through formal, non-formal and technology enabled channels, conducive learning environments, adequacy of trained teachers and opportunities for scholarships to pursue continuous learning.

---

**SDG-5: Gender Equality:** The Gender Gap Index 2015 ranked Pakistan 2nd from the bottom among 145 countries. Goal 5 aims to address gender equality and women empowerment. Poverty, poor health and illiteracy make almost 50pc of the country's population who are not full participants in the realm of socio-economic development. The low status of women, in fact, deprives the state of realising the full productive potential of half the population.

---

**SDG-6: Clean Water and Sanitation:** Goal 6 of the development agenda talks about ensuring availability and sustainable management of water and sanitation; eight specific targets have been formulated to achieve universal and equitable access to safe and affordable drinking water, sanitation and hygiene for all, to end open defecation with special attention given to the needs of women and girls.

---

**SDG-7: Affordable and Clean Energy:** For affordable clean energy, Pakistan requires more transmission lines, cost-effective production, and better-regulated renewable energy markets. Germanwatch's latest Global Climate Risk Index, which measures how nations are affected by weather-related disasters, ranks Pakistan as the world's 8th most impacted nation. Experts have estimated that about a quarter of the country's land area and half its population is vulnerable to climate change-related disasters. With its dry climate, extreme weather events, and natural resource shortages, the country's climate vulnerabilities can't be overstated.

---

**SDG-8: Decent Work and Economic Growth:** Goal 8 empowers governments to break free from the shackles of aid and propels nation-states towards making greater strides in trade, growth, jobs and safeguarding the dignity of individuals, communities and nations. And, for the first time, there is an unequivocal opportunity for the private sector and businesses to join hands with governments and the international community, and test their mettle in the cause for sustainable development.

---

**SDG-9: Industry, Innovation and Infrastructure:** Goal 9 aims to "build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation". This goal recognises firstly, that sustainable human development improvements cannot come without economic growth, particularly in manufacturing. Every job in manufacturing creates 2.2 jobs in other sectors and is

therefore critical in generating employment. Secondly, it places the signatory countries' sights on a goal that is beyond physical manufacturing and assembly, to the higher value addition processes of innovation, research and design.

---

**SDG-10: Reduced Inequalities:** Goal 10 focusing on reducing inequalities by 2030 underscores the need for policies 'to achieve and sustain income growth of the bottom 40pc of the population at a rate higher than the national average' among other targets — all focused on inclusive economic growth. For the country as a whole, 48pc of rural households are landless, with the highest incidence of landlessness at 62pc in Sindh.

---

**SDG-11: Sustainable Cities and Communities:** Goal 11 – sustainable, green and resilient cities – forms the defining constructs of an emerging urban planning paradigm that is fast gaining global traction. Here, strategic plans are replacing master plans. Gated communities and urban sprawl, supported by private automobile-friendly transportation infrastructure, are being discouraged to promote mixed, integrated neighbourhoods with walking and bicycling supportive streets. With more than half of the world's population presently residing in urban centres, these designs serve as the frontlines in the battle against climate change.

---

**SDG-12: Responsible Consumption and Production:** Goal 12 calls for ensuring sustainable consumption and production, reaffirming global consensus on the centrality of sustainable practices in the quest for sustainable development. The targets linked to Goal 12 include sharp cuts in food losses and waste; environmentally sound management of chemicals; sustainable public sector procurement; enhancing knowledge and awareness about the benefits of sustainable practices and lifestyle; rationalisation of fossil fuels subsidies; and strengthening the scientific and technological capacity of developing countries to embrace SCP.

---

**SDG-13: Climate Action:** Goal 13 specifically calls for 'urgent actions to combat climate change and its impacts'. About 45 of the 169 targets related to this goal highlight the need to tackle climate change and avert impacts, particularly on food, water, energy and economic development. The challenges of climate change and its adverse impact undermine the ability to achieve Vision 2025 — Pakistan's development blueprint. Adverse climate impacts are reflected through increased floods, prolonged droughts, changing temperatures and extreme weather events — heat-waves, glacial melting, changing monsoons and cropping cycles.

---

**SDG-14: Life Below Water:** Goal 14, aimed at the Integration of Oceans into the SDG framework, calls for commitment to ensuring the sustainability of oceans and marine life with special attention to the welfare of populations dependent on ocean life. Pakistan has witnessed various happenings in its ocean fisheries environment, with numerous incidences of large mammals – sharks and whales – washing up dead on its coastlines, similar to the incidence of the whale deaths reported in Australia earlier this year. With seas and oceans being over-polluted due to human activity and serving as repositories of human waste, chemical pollution and dumping grounds for industrial non-useable outputs, our ocean has turned into a junkyard. This toll on marine life directly impacts the welfare and livelihoods of communities dependent on these resources.

---

**SDG-15: Life on Land:** Goal 15 focuses on protecting, restoring and promoting the sustainable use of terrestrial ecosystems, sustainably managed forests, combating desertification, and halting and reversing land degradation and biodiversity loss. Pakistan is poised for a turnaround of the system. Rapid action is needed to sustain populations with the erosion of land resources. A reversal is possible provided a science-based approach is followed along with institutional reform and resource mobilisation.

---

**SDG-16: Peace, justice and strong institutions:** Goal 16 aims to “promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.” This goal has 12 targets that include reduction in violence and related death rates; an end to abuse, trafficking, exploitation, violence and torture of children; rule of law and equal access to justice; substantial reduction in corruption and bribery; effective, accountable and transparent institutions; responsive, inclusive, participatory and representative decision-making; provision of legal identity for all, including birth registration; public access to information and protection of fundamental freedoms; and strengthening of institutions to prevent violence and combat terrorism and crime.

---

**SDG-17: Partnerships for the Goals:** Goal 17 that aims to revitalise global partnerships for development by building domestic means to implement the SDGs. Global partnerships must have varied elements: more development assistance, debt relief, trade agreements that help developing countries find markets and better conditions for foreign and domestic investment. Partnerships matter when lifting people out of poverty, when protecting the environment and when building peace — partnerships between governments, the private sector, civil society and the international community.