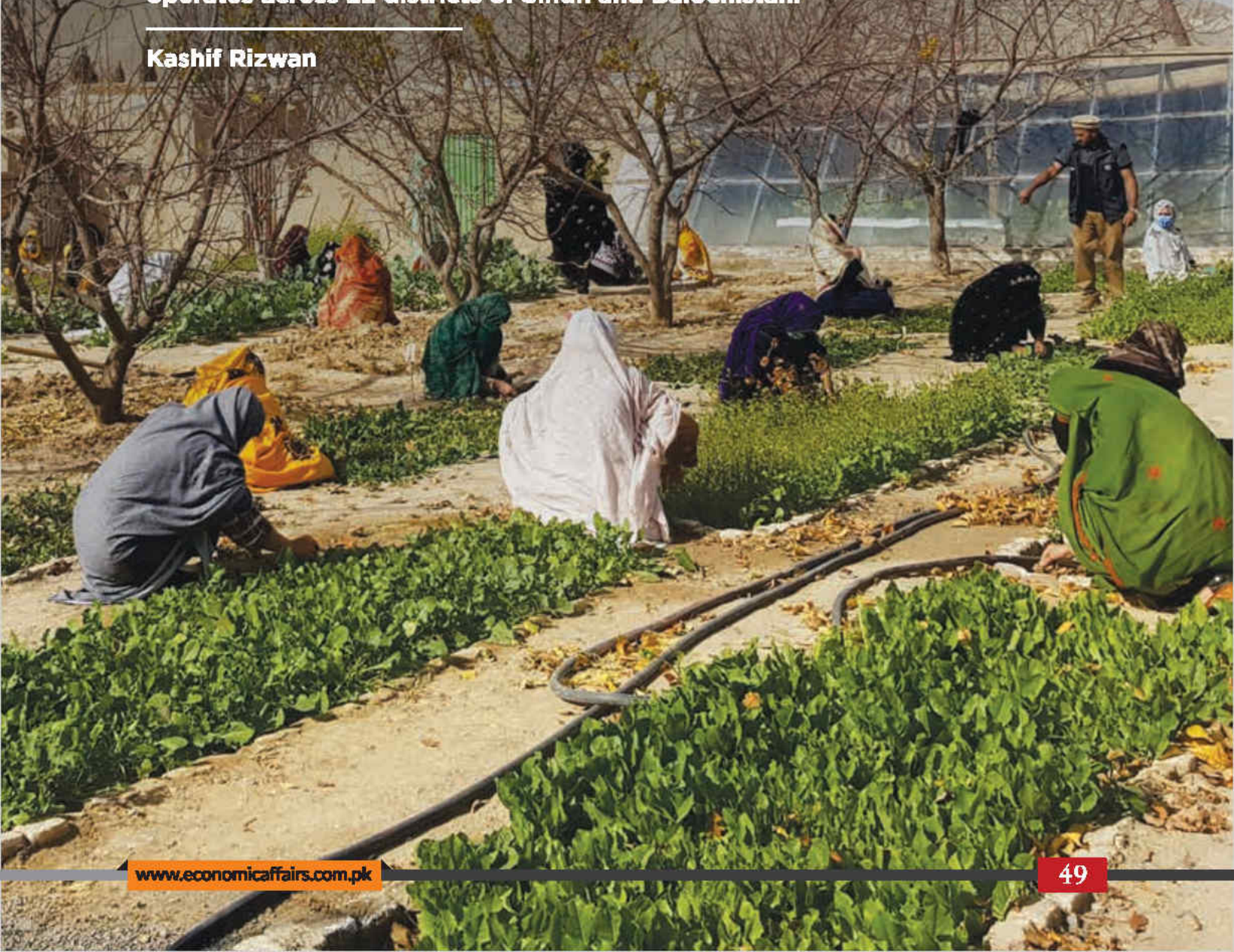


From Farm to Market **GRASping Rural Growth**

The Growth for Rural Advancement and Sustainable Progress (GRASP) unlocks economic potential of rural agribusinesses by building an ecosystem rooted in policy reform, human capital development, financial access, market integration and climate resilience. Funded by the European Union and Implemented by the International Trade Centre (ITC) in partnership with the Pakistan Poverty Alleviation Fund (PPAF), FAO, and SMEDA, the project operates across 22 districts of Sindh and Balochistan.

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In Pakistan's economic architecture, small and medium-sized enterprises (SMEs) are both ubiquitous and indispensable. Contributing nearly 40% to

this vibrant sector, rural SMEs—especially those embedded in agriculture and livestock—remain chronically underserved. Their struggle is not due to lack of ambition

GRASP embeds climate-smart agriculture (CSA) practices into its design—not as an add-on but as a core pillar. Through Farmer Climate Business Schools (FCBS), smallholders have been trained in CSA techniques, enhancing their ability to cope with erratic weather, water scarcity, and soil degradation.

the national GDP and 25% to exports, according to a 2023 study by the Pakistan Institute of Development Economics (PIDE), SMEs are often the silent backbone of economic vitality. Yet, within

or productivity, but a lack of infrastructure, access, and institutional support.

The Growth for Rural Advancement and Sustainable Progress

(GRASP) project is an ambitious response to this imbalance. Funded by the European Union and implemented by the International Trade Centre (ITC) in partnership with the Pakistan Poverty Alleviation Fund (PPAF), FAO, and SMEDA, GRASP operates across 22 districts of Sindh and Balochistan. Its mission: to unlock the economic potential of rural agribusinesses by building an ecosystem rooted in policy reform, human capital development, financial access, market integration, and climate resilience.

Bridging the Policy Gap

Pakistan's National SME Policy 2021 sets a progressive framework, but it lacked teeth in implementation—especially for women-led and agriculture-based rural enterprises. GRASP tackled this gap head-on. It initiated inclusive policy dialogues, championed regulatory reforms, and simplified bureaucratic hurdles like business registration. The project has thus far contributed to 76 policy reforms, including 23 policy documents, three SME strategies, and two value chain roadmaps—all now in use by public institutions, academia, and private sector clusters.

Digitalization was another leap forward. GRASP introduced powerful Management Information

Systems (MIS) and databanks that house profiles of nearly 45,759 SMEs across Sindh and Balochistan. This digital ecosystem has enabled stakeholders—ranging from regulators to financial institutions and corporate buyers—to engage with rural entrepreneurs with unprecedented transparency and efficiency.

A key outcome of this streamlining: over 50% of GRASP-supported SMEs have formalized their businesses with entities like the Federal Board of Revenue (FBR) and the Securities and Exchange Commission of Pakistan (SECP), bringing them into the fold of the formal economy.

Building Human Capital from the Ground Up

Policy frameworks and digital platforms are only as effective as the people who operate within them. GRASP recognizes this and has placed a robust emphasis on capacity building. The project has trained over 8,000 individuals, nearly 48% of whom are women, in financial literacy, digital business tools, good manufacturing practices (GMP), value addition, market-readiness, livestock health, and climate-smart agriculture.

Market access remains one of the greatest challenges for rural SMEs. As per the Journal of Business and Economic Options (2024),

the lack of connectivity—physical and informational—renders many rural producers unable to compete effectively. GRASP filled this void by linking small businesses to suppliers, buyers, and service providers at local, provincial, and international levels. Targeted exposure visits allowed entrepreneurs to understand pricing, packaging, distribution, and consumer expectations.

The results? According to a recent outcome survey by the International Trade Centre, SMEs supported by



of their male counterparts.

Unlocking Financial Access

Access to capital is the lifeblood of any enterprise, yet rural SMEs face consistent barriers from traditional lenders. GRASP tackled this through a two-tier strategy: performance-based matching grants and



GRASP recorded an average 28% increase in annual sales and a 38% rise in profits. For women-led businesses, revenue growth was even more striking—a 51% increase, nearly double that

institutional partnerships with financial bodies.

Matching grants were provided in different sizes. The matching grant sizes in first three cycles were: PKR

0.5 million, PKR 2.5 million and PKR 30 million. Whereas, in fourth cycle the sizes were PKR 2.5 million, PKR 5 million, PKR 10 million and PKR 20 million.

Till July 2025, 399 such grants, collectively valued at PKR 1.5 billion, have been awarded. Of these, 39% went to women-led enterprises, a major leap for inclusive financing.

In parallel, GRASP signed MoUs with 25 financial institutions, including the State Bank of Pakistan and commercial/microfinance banks. These collaborations helped 417 SMEs secure loans worth PKR 741 million, including PKR 58 million for women entrepreneurs. Importantly, some beneficiaries also gained insurance coverage—a critical safety net for safeguarding livestock, equipment, and crops from climate-induced calamities.

As a direct outcome, GRASP's interventions have sustained or generated over 15,000 full-time jobs, including 4,520 positions for women, reshaping the gender dynamics in rural labor markets.

Climate Resilience at the Core

Pakistan ranks among the top 10 most climate-vulnerable countries, and for its predominantly agrarian economy, the stakes could

not be higher. GRASP embeds climate-smart agriculture (CSA) practices into its design—not as an add-on but as a core pillar. Through Farmer Climate Business Schools (FCBS), smallholders have been trained in CSA techniques, enhancing their ability to cope with erratic weather, water scarcity, and soil degradation.

According to GRASP data, 80% of matching grant recipients have adopted green technologies like drip irrigation, solar-powered systems, and regenerative land-use practices. These upgrades not only improve productivity but also serve as buffers against environmental shocks.

Inclusive by Design

One of GRASP's standout features is its commitment to inclusive economic growth. The numbers bear this out: 39% of all matching grants were awarded to women-led businesses, and additional grants went to transgender entrepreneurs, people with disabilities, and members of marginalized communities.

But inclusion wasn't just tokenistic—it was structurally embedded. Loans were tailored to match women's repayment cycles. Trainings were delivered in local languages. Exposure visits and business engagements were designed keeping cultural norms and mobility

constraints in mind. These thoughtful interventions ensured not just participation, but meaningful empowerment.

From Project to Policy: A Scalable Blueprint

What GRASP has achieved is more than a series of development wins—it is a proof of concept. The project has aligned national policy with grassroots entrepreneurship, linked financial institutions to underserved communities, and proved that climate resilience and economic growth are not mutually exclusive.

Whether it's a woman-led goat farm in Tando Allahyar or a solar-powered onion dehydrator in Khuzdar, GRASP showcases a scalable, replicable model of rural transformation. With 11 value chains activated across 22 districts, the model is ripe for national adoption.

If scaled, GRASP could accelerate rural development, create thousands of jobs, improve food security, and help Pakistan meet its Sustainable Development Goals (SDGs)—not through charity, but through competitiveness, inclusion, and innovation.



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