

Opportunity Pakistan Report Commission on Social Entrepreneurship & Innovation Karachi – Lahore – Islamabad



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Executive Summary

In September 2013, fifteen people (Commissioners) from Australia, Italy, Pakistan and the United Kingdom, embarked on a journey to a country which for many was an entirely new experience. The aim was to discover the true story of a country which much has been written about but few, outsiders at least, have understood. The prism of this journey was social entrepreneurship – a form of business whereby the initiators explicitly seek to develop businesses to achieve a social or environmental benefit.

This Report seeks to articulate what the Commission discovered. Yes, it illustrates the many problems facing Pakistan but as any entrepreneur - social or otherwise - knows, such problems represent opportunities.

Pakistan's problems present Pakistan with opportunities.

Pakistan is a highly complex country. No body of people, however well intentioned, can hope to capture the magnitude of this complexity in a short visit of several days. But this, we trust, is an authentic and considered portrayal of what we found.

All members of the Commission were agreed, Pakistan is a land of opportunity.

We invite you to read our Report.

Tommy Hutchinson

Founder & CEO, i-genius; Chair of the Commission

Shivang Patel

Director, i-genius Academy & Events; Commission Co-ordinator

April 2014

Analysis with Recommendations

At the risk of sounding clichéd, Pakistan's greatest asset is its people. The population is proportionately one of the youngest in the world. The youth predominately feel passionate about their country and are determined for it to succeed. Entrepreneurship and social entrepreneurship seems almost natural to them, perhaps in part due to the lack of large employers. Where their parents forged family businesses in traditional practices often around clothes, food and retail, Pakistani youth are embracing new opportunities that arise from modern technology and creative industries. Likewise, women (young and old) are making an important contribution to the economy and becoming founders of their own businesses. Pakistanis have had to overcome many hardships, but this in turn has made them resourceful, robust and resilient. Such characteristics are ideal in shaping successful social entrepreneurs.

Pakistan is a country of enormous potential for social entrepreneurs and innovators. Opportunities exist particular in areas of:

- ✓ Sustainable resource management including recycling, alternative energy
- ✓ Accessibility to consumer technology
- ✓ Accessibility of education and health
- ✓ Creative industries like design, arts, media
- ✓ Cultural industries such as heritage, tourism, sport
- ✓ Business support e.g. co-working space, incubation, mentoring
- ✓ Food production and agricultural support services
- ✓ Infrastructure development inc. water, sanitation
- ✓ Micro finance and SME finance
- ✓ Citizenship programmes

This list is by no means exhaustive. It merely represents what the Commission discovered in a limited time frame. Readers are welcome to add to the list.

Business does not thrive in a vacuum. Support and stability is important and some optimism can be derived from the first ever transfer of one democratically elected government to another which preceded the Commission's visit. Violence, however, remains a regular hazard with the inevitable harmful effect on investment and ease of doing business. The gradual withdrawal of much of the Western military apparatus in the region is likely to reduce the amount of money entering the wider economy (some speculating there could be a 20% devaluation in the Rupee). Developing agencies have an important role in offsetting this decline. There are signs that they are responding with

increased funds for economic and social investment but it remains doubtful this will be sufficient to offset greater hardship.

Inequality in Pakistan is huge. The wealthy elite live lives far removed from the urban poor and even further from those in rural communities. Little confidence in successive governments to use revenue effectively means Pakistan has one of the lowest tax collection rate to be found anywhere in the world. This is partly offset by having one of the largest philanthropic contributors (2nd to the United States) but such donations have limited effect on the infrastructure and pool of social investment. Greater channelling of philanthropic funds and those of the Diaspora toward impact investment and other forms of social economy activity is desirable.

Such inequality extends into almost every aspect of life. Many young children receive little or no formal education yet those schools and universities that the Commission had the opportunity to meet, were in almost all cases, excellent.

Energy along with poor infrastructure is a major gripe of the business community and population as a whole. Regular blackouts mean businesses close and deadlines are missed. Government and utility providers should make the provision of a sustained and predictable supply of energy a key priority if Pakistan is to progress.

The State has a vital role to play in ensuring that the building block of any good economy, justice and the rule of law are fairly applied. Good governance, transparency, accountability and ethical practices should be the focus of all elected representatives and community leaders. The business community and their trade bodies can help contribute to this.

Limited infrastructure and energy supply has an even greater affect on the rural population, many of whom operate in the most remote parts of the country. The Commission's lead supporters Pakistan Poverty Alleviation Fund and the Hashoo Foundation both specialise in meeting the needs of such communities and have models and practices worthy of replication around the world.

Perception formed a regular part of the Commission's dialogue whether it is the self perception Pakistani's have of their country or the perception foreigners have of Pakistan. All agreed that more needs to be done to communicate the real story of Pakistan, more positive and peaceful than that portrayed in the media. No one is better able to do this than Pakistanis themselves.

All this indicates the need for innovation is real and the opportunity for social entrepreneurs has rarely been greater; the country is blessed with talent and passion. The task of policy makers and all stakeholders is to make it easier for social entrepreneurs and their businesses to operate. If they are supported, Pakistan could become a success story and a world leader in economic and social transformation.

Methodology

The 15 Commissioners convened by i-genius originated from a rich mix of science, academia, finance, enterprise, and industrial backgrounds and were to assess firsthand the potential for social innovation in Pakistan. The Commission which lasted eight days and was led by its Chairman, Tommy Hutchinson (Founder & CEO, i-genius,) travelled across Pakistan visiting the major cities of Karachi, Lahore, and Islamabad as well as the Punjab.

Commissioners spent the first leg of their tour in Karachi engaging established social initiatives and students to intensively explore the opportunities and challenges for social business in the region on a macro scale. A welcome dinner was generously hosted on the first evening by Seed Ventures followed by a combination of collaborative meetings and hands-on site visits over the following three days. The Commissioners began with a tour of the excellent Aman Foundation facility before being joined in a panel discussion on the macroeconomic environment by Naya Jeevan and Abraaj Capital. The group moved on to the T2F Café, a successful Pakistani social business run by PeaceNiche, where they also met with Invest2Innovate, P@sha, and many locals interested in entrepreneurship. An evening banquet was hosted by The Hashoo Foundation.

The following day i-care Pakistan arranged for the MIT Forum, OPEN Pakistan, Orangi Charitable Trust, Indus Earth Trust, and GEAR to meet with the Commission for a session exploring potential partnerships. Enthralling visits to The Citizens Foundation and Karachi Arts Council followed. The day concluded with an evening dinner hosted by the Federation of Pakistan Chamber of Commerce and Industry. Commissioners Tommy Hutchinson, Aneeqa Malik and Shivang Patel with advisor Faraz Khan appeared on the TV show Perspectives, for a 45 minute national TV interview.

The final day in Karachi saw Karachi School of Business and Leadership bring together students and faculty members from the University of Karachi, Karachi Institute of Technology and Entrepreneurship, and Shahid Zulfiqar Ali Bhutto Institute of Science and Technology at a session entitled Creating Sustainable Businesses.

The second leg of the Commission took in Lahore and focused on detailed scrutiny of social entrepreneurs and social businesses already operating within Pakistan. Commissioners were treated to a tour of historic Lahore by Casoft before commencing work the following morning.

A busy day in Lahore began with a session at Lahore University of Management Sciences where the Commission engaged with students to discuss how social businesses can be scaled. The session was hosted by Sabeen Haque with panellists from Naya Jeevan, Seed Ventures, Casoft, Ghonsala and technology entrepreneurs. An informal networking lunch preceded a meeting with Wapda Chairman and colleagues to discuss Pakistan's energy crisis and their response to it. The group moved on to a training session with the Federation of Pakistan Chamber of Commerce and Industry before being hosted by the Federation at dinner.

An energised student body from the University of Management and Technology (UMT), Forman Christian College, Lahore School of Economics and the Punjab Institute shared their ideas with the Commission during workshops held at UMT on the theme of what students can do for Pakistan. A visit to the self sustaining and innovative Zacky Farm was followed by a session at the Lahore Chamber of Commerce on empowering women entrepreneurs featuring The Loop Global Management, Centre for Women Entrepreneurs, Ashoka, Khonex, and Packages. Henna Babar Ali graciously hosted a dinner for the Commission that evening.

The final two days were spent in Islamabad where the findings and discussions of the Commission were consolidated and formed into policy recommendations and future plans. A discussion on social entrepreneurship and the rural economy was hosted by the Hashoo Foundation and attended by Pakistan Poverty Alleviation Fund, Pakistan Microfinance Network and Oxfam Pakistan. A second meeting with the Pakistan Poverty Alleviation Fund introducing their work was held immediately after. Tommy Hutchinson, Aneeqa Malik and Shivang Patel were invited to a private meeting with Ahsan Iqbal, Federal Minister for Planning and Development.

The concluding day of the Commission began with a meeting with the Union of Pakistani Youth (UPY) and leading youth activists. Hosted by the UPY, the meeting included the Khubaib Foundation, Shao'or Society, Young Entrepreneurs Forum of Islamabad Chamber of Commerce and Industry and the Youth Economic Forum. Afterwards, the Commission finalised the *Islamabad Statement* (below) before moving to AIR University where a discussion was held with academics and students along

with participants from INSAF Network Pakistan, the Trade Development Authority of Pakistan and the Aurat Foundation on shaping education for social entrepreneurship and the social economy. The *Islamabad Statement* was presented at a well attended press conference at the University. The Commission concluded with a truly memorable closing dinner and culture show hosted by the Pakistan Poverty Alleviation Fund.

Formal sessions

SUN 8 SEP

Macro Economic Overview (Aman Foundation)	<ul style="list-style-type: none"> Explored the challenges for the country with special focus on the start-up environment. Was followed by a tour of Aman Tech.
i-genius Café (at t2f cafe, Karachi)	<ul style="list-style-type: none"> Heard from experiences of a number of early stage social entrepreneurs in an open style cafe environment.

MON 9 SEP

Partnerships for Pakistan (American Business Council)	<ul style="list-style-type: none"> Discussed the business environment.
The Citizens Foundation	<ul style="list-style-type: none"> School visit illustrating impressive innovation in quality of education and gender equality.
Karachi Arts Council	<ul style="list-style-type: none"> Lively debate on the need for outsiders to truly engage with the country and the need to alter foreign perceptions of the country.
Federation of Pakistan Chamber of Commerce and Industry	<ul style="list-style-type: none"> Dinner with business and diplomatic leaders.

Perspectives Television chat show

TUE 10 SEP

Creating Sustainable Businesses (Karachi School of Business and Leadership)	<ul style="list-style-type: none"> Lectures on social entrepreneurship and societal entrepreneurship followed by students Q&A.
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WED 11 SEP

Scaling up Social Businesses (Lahore University of Management Sciences)	<ul style="list-style-type: none"> Discussion on the start-up and scaling up environment.
Solving the Energy Crisis (WAPDA)	<ul style="list-style-type: none"> Covered the causes of the energy crises and its harmful affect on business sustainability.
Training Forum for Social Entrepreneurship and Innovation (FPCCI)	<ul style="list-style-type: none"> Briefing on National Outreach Programme.

THU 12 SEP

“What can I do for Pakistan?” Student Meeting (University of Management and Technology)	<ul style="list-style-type: none">• Plenary and student workshops on bringing ideas to fruition.
Sustainable Farming Practices (Zacky Farm)	<ul style="list-style-type: none">• Pioneer in farming and recycling of natural waste.
Empowering Women Entrepreneurs (Lahore Chamber of Commerce)	<ul style="list-style-type: none">• Presentations on the determination of women to become leaders in business and society.

FRI 13 SEP

Social Entrepreneurship in the Rural Economy (Hashoo Foundation)	<ul style="list-style-type: none">• Plenary and workshops which explored the potential for rural needs and growth as well as the contribution of microfinance.
Meeting with PPAF	<ul style="list-style-type: none">• Briefing on the work of Pakistan Poverty Alleviation Fund
Meeting with Ahsan Iqbal, Federal Minister for Planning and Development	<ul style="list-style-type: none">• The role of Government in supporting social entrepreneurship.

SAT 14 SEP

Meeting with Union of Pakistani Youth and Leading Youth Activists of Pakistan (Khubaib Foundation)	<ul style="list-style-type: none">• Briefing on the work of the Khubaib Foundation with young people on criminal rehabilitation and supporting youth enterprise.
Shaping Education for Social Entrepreneurship and the Social Economy (Air University)	<ul style="list-style-type: none">• Plenary presentations on how higher education can change to support social entrepreneurs.
Publication of Commission Interim Report & Press Conference (Air University)	<ul style="list-style-type: none">• Media presentation of the Islamabad Statement

Alongside these sessions were a series of informal dinners including an opening event hosted by SEED Ventures which enabled the Commission to better get to know one another and a splendid closing cultural finale hosted by PPAF. Further wonderful luncheons and dinners were hosted by Attique Ahmed , Henna Babar Ali , Shahnaz Kapadia Rahat and Ahmed, Owais Iqbal.

Commission video

A short video has been produced by Beyond the Canvas Studios – click [here](#) to see the video or visit <http://goo.gl/dW90Hm>

Acknowledgements

Our deep gratitude goes to all those who made the i-genius Commission on Social Enterprise and Innovation a resounding success. Foremost, each of our 15 Commissioners, who without knowing each other prior to meeting in Karachi, wholeheartedly dedicated themselves to the task of understanding the complexities of Pakistan as a unified body.

Many individuals gave their time and resources generously in order to create a programme which allowed us to engage with Pakistanis from a multitude of sectors, backgrounds and experiences. Their generosity enabled the Commission to glimpse beneath the veneer and see a country full of aspiration far beyond its stereotype.

We would like to thank Aneeqa Malik of the Loop Global for working tirelessly for months to secure meetings and venues. We appreciate the assistance of her friends, family and personal contacts, especially, Ubaid Ullah Ahmed, Owais Iqbal, Attique Ahmed, Dr. Zaituna Shah, Rasheed Naseer Turabi, Rashid Hussain, Ahmad Qureshi and Saad Sultan.

A special mention must go to The Hashoo Group and Hashoo Foundation who encouraged the Commission from its very inception. We would like to thank Ali Akbar for his splendid advice as well as Amin Haswani, Sarah Hashwani, Javaid Akhtar, Tanzeela Sheikh and all their colleagues for their invaluable contributions throughout the Commission including the generous use of Hashoo facilities across Pakistan. Equal thanks must go to Pakistan Poverty Alleviation Fund whose financial support made the programme viable. For their participation, warmth and encouragement we would like to thank Qazi Azmat Isa, Shahnaz Kapadia Rahat, Umer Arfi, Samia Liaquat Ali Khan, Maira Azhar and Muhammad Tahir Malik.

Thank you to Sabeen Haque for taking care of last minute difficulties in the weeks prior to the Commission's arrival in Pakistan and for making a series of important introductions. We would also like to thank Henna Babar Ali and Asher Hassan.

There are, of course, so many others who contributed whole heartedly either by giving their time to meet or make introductions to people, organisations and facilities we would otherwise not have had the chance to engage with.

Inevitably there may be some names which have been forgotten for which we hope you will accept our apologies. Everyone's contribution, including that of the hundreds of students and ordinary citizens we met over eight months of preparation and eight days in country have shaped our vision of Pakistan, its immense potential for social innovation and the hospitality of an incredibly warm nation.

Future work

- This Report will be made available online and presented to a series of briefing events in the UK and other countries to be determined.
- i-genius is planning a conference focusing on social business education and social investment in Lahore, November 2014.
- A Commission will be reconvened to assess progress in 2015.
- i-genius is also undertaking a feasibility study with a view to creating a new Impact Fund for Pakistan.
- Other initiatives by i-genius and individual Commissioners will be announced in due course.

Islamabad statement – Released to media outlets 14 September, 2013

Statement by the Commission on Social Entrepreneurship & Innovation

Islamabad, 14th September, 2013

The Commission, convened by *i-genius*, comprising 15 members from UK, Italy, Australia and Pakistan, visited Karachi, Lahore, Islamabad and Punjab to ascertain the opportunities and challenges facing the development of social entrepreneurship and innovation. In understanding its work, the Commission was mindful of the positive changes taking place such as the historic transfer of power from one democratically elected government to another, the talent residing amongst young people, the growing empowerment of women and the long tradition of social giving.

The Commission was impressed by the optimism and resilience of all those it encountered in both urban and rural communities, but it does not underestimate the enormous hurdles Pakistan faces in overcoming corruption and division within its society, which are the primary barriers to fulfilling its potential.

Social entrepreneurs are people who create businesses to promote social or environmental improvement. The agenda for social innovation and entrepreneurship in Pakistan and beyond is to build sustainable businesses and institutions for all the people of Pakistan.

The guide for all stakeholders who desire a prosperous and inclusive economy should be to make easier the journey of those who desire to improve their country. The commission believes Pakistan has considerable **untapped potential** amongst all sections of society which needs to be recognised and supported.

A full report will be published in the coming weeks which will include recommendations for political leaders, corporations, NGOs, finance and by specific sections of society including the wealthy elite. The Commission encourages relevant government ministries to integrate social entrepreneurship and innovation into government policy. It is willing to contribute to this process by sharing better practice from other parts of the world.

The report will outline a series of practical proposals to stimulate further change relevant to both urban and rural society, namely:

Government – A cross-departmental seminar hosted by the Ministry of Planning and Development to explore the role of public policy.

Finance – A new social investment fund and a network to support crowd funding initiatives.

Supporting Talent – An online Pakistani network of social entrepreneurs, a database of social businesses and support for incubators to enhance scalability.

Market Access – An online market place for social products and services.

Education/Training – Promote the sharing of content and academic/student exchange.

Diaspora – Encourage initiatives to engage with and mobilise the Pakistani Diaspora.

Ethics – A space for the exploration of ethical business initiatives and transparent governance.

International Perceptions – A road show based on the report and the promotion of technology, arts and creative industries.

Youth – A community social media campaign to promote a more accurate portrayal of the vibrancy of Pakistan. “My Pakistan!” (working title).

Recognition – A social entrepreneur and innovators awards programme to commence in 2014.

Replication – An online platform highlighting successful Pakistani models.

The Commission envisages these initiatives to be fully developed over a two year timeframe. New partnerships are invited to support the implementation of these recommendations. Progress will be assessed at an **international conference** hosted by *i-genius* in Pakistan one year from now.

Commissioners

Mr. Tommy Hutchinson: Founder & CEO, *i-genius*/Commission Chair

Mr. Filippo Addarii: Member, European Commission Expert Group on Social Entrepreneurship

Dr. Mohammed Ali OBE: Founder & CEO, QED Foundation (QED-UK)

Mr. Javaid Akhtar: Senior Programme Manager, Hashoo Foundation

Mr. Umer Arfi: Senior Management Executive, Pakistan Poverty Alleviation Fund

Revd. Tony Bradley: Director, SEED, Liverpool Hope University Business School

Ms. Sabeen Haque: Director, Ashoka Pakistan

Ms. Kelly Hutchinson: Director, khonex

Mr. Faraz Khan: CEO, Seed Ventures

Ms. Aneeqa Malik: Founder & CEO, The Loop Global

Mr. Shivang Patel: Director of Events, *i-genius*

Mr. Faizan Quadri: Project Manager, Seed Ventures

Ms. Gulnaz Raja: Solicitor, UK Financial Ombudsman

Dr. Ahmed Shibli: Director/Scientist, European Technology Development

Mr. Abid Shirwani: Director, External Affairs, University of Management and Technology

Advisors

Ms. Maira Azhar: Consultant, Pakistan Poverty Alleviation Fund

Mr. Asher Hasan: CEO & Founder, Naya Jeevan

Ms. Samia Liaquat Ali Khan: Group Head, Pakistan Poverty Alleviation Fund

i-genius

i-genius is a world community of social entrepreneurs with members in over 200 countries. It promotes social entrepreneurship around the world, provides training via *i-genius* Academy and organises events including an Asia Summit in Bangkok, 2012 and Global Healthy Workplace Awards and Summit, London, 2013. Opportunity Pakistan is a new initiative to promote social entrepreneurship and the social economy amongst social entrepreneurs, policy makers and stake holders.

Lead Partners

Pakistan Poverty Alleviation Fund: A not-for-profit company and represents an innovative model of public private partnership.

Hashoo Foundation: a progressive and dynamic non-profit organization, leading the way in human development and poverty alleviation by implementing viable economic development, educational and capacity-building programs in Pakistan since 1988.

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