



# OPPORTUNITY PAKISTAN



**Exploring Untapped Potential**





# OPPORTUNITY PAKISTAN



A Policy Paper by





# FOREWORD

Nestled between India, Afghanistan, Iran and China, there is a country with a population exceeding 180 million people. It is the 36th largest nation in the world in terms of area and is known as Pakistan. Historically the region has been home to several ancient cultures and has been invaded and conquered by different empires and dynasties. These have all left remnants of their knowledge and business practices that have become part of Pakistan's culture and philosophy on trade and investment, developing, inevitably, the entrepreneurial potential of the Pakistani population. In spite of the challenges the potential for growth and development of entrepreneurship in Pakistan is staggering. In the presence of several socio-economic constrictors there exists a significant opportunity to promote social entrepreneurship, i.e. entrepreneurship with a mandate of creating sustainable social or environmental impact.

'Opportunity Pakistan', a 15 member Commission, was organised by i-genius to explore the activities and opportunities within social innovation and the potential the country has to become a social enterprise hub in the region. The Commission travelled through Pakistan to explore the current social environment, opportunities and challenges faced by social entrepreneurs and the scope to promote social innovation as a form of economic development. The members of the Commission belonged to different for-profit and not-for-profit organisations working to advance the agenda of social entrepreneurship from Pakistan, Italy, UK and Australia. Their professional expertise ranged from technology, policy making, strategy development, academia, entrepreneurship, research and development, and poverty alleviation. Translating the basic spirit of philanthropy into social business was one of the main areas of the study.

Following the Commission visit to Pakistan, it was observed that there was confusion over the concept of social entrepreneurship with many equating it to charity. There also exists a sharp contrast between the global media-centric perceptions of Pakistan, with the reality of a welcoming and genuinely collaborative country whose potential is shackled by unstable political, economical and security conditions. This greatly impacts the way Pakistanis perceive risk and their stance on entrepreneurship. However, there are some exceptional social entrepreneurs in Pakistan who have created measurable positive social impact.

Social entrepreneurship has much to offer Pakistan. Its development will contribute considerably to the economic, political and cultural potential of the country. This paper sets out a series of steps to help speed up its development and includes a call to action to the government, corporate sector, and the wealthy 'elite' in the form of domestic and Diaspora Pakistani communities. Readers and policy makers are invited to consider its recommendations carefully, to engage, to act.

Thank you

Editors

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Opportunity Pakistan paper is based on primary research data that was collected during the first phase of this initiative that started with an all Pakistan tour by the Commission. The tour provided an opportunity to visit and interact with various organisations that are working to promote social entrepreneurship in Pakistan.

It is clear that the tour provided a comprehensive view of the entrepreneurial landscape in Pakistan. It is important to note that policy makers and relevant stakeholders were included in discussions during the Commission tour which provided a platform for knowledge transfer and networking. The all Pakistan tour gave an in-depth perspective of the government, financial institutions and their stance towards entrepreneurship, youth, market access, education and training, Diaspora, ethical business initiatives, transparent governance, international perceptions and what is being done to create a support system for promoting talent.

The strengths, weaknesses and opportunities for social entrepreneurship and innovation in Pakistan were identified and assessed after the findings of the tour were consolidated in a report. Following this, recommendations were made via the Islamabad Statement, an excerpt of which is as follows:

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.

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.

The Islamabad statement put forward a number of practical proposals to stimulate further change around the social economy, including:

“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.”

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## What is Social Entrepreneurship?

Social entrepreneurs create businesses to do social or environmental good. The concept of social entrepreneurship takes its roots from the teachings of Robert Owen, a Welsh social reformer who created methodologies and elaborate designs to create a more equal society. His objective was poverty alleviation and providing equal opportunities to all members of society. He initiated the concept of cooperatives which is a group of organisations working together for mutual, economic, social and cultural rewards.

The focus of conventional entrepreneurs and business entrepreneurship is to create new businesses in the face of risk and uncertainty specifically for the purpose of achieving profit and growth. Entrepreneurship plays a pivotal role in the development and wellbeing of the society. The eventual outcome of entrepreneurial activities is a lower unemployment rate, an environment conducive for innovation and the growth of the economy.

Social innovators adhere to the basic tenets of entrepreneurship, i.e. taking risk in order to address a market need with the addition of commercial and marketing strategies applied to bring about improvement in community wellbeing instead of maximizing profits as in the case of business entrepreneurship. Whether constituted as for profit or not for profit, the primary goals of social entrepreneurs are to achieve social or environmental improvement.

J. Greggroy Dees in his article 'The Meaning of Social Entrepreneurship', 2008 defines that social entrepreneurs are entrepreneurs with a social mission, and because of this desire to bring about transformative change in society, they face distinct challenges. They have a distinct and clearly defined social mission which forms the foundation for all their activities. Finances are simply the means to an end and all their activities are mission driven and not wealth driven. The author stresses that social innovation is about impact, and stresses profits should not be considered more important than the final social impact. If a social entrepreneurship organisation is bearing huge profits but is unable to create a proportional social impact, it is contradicting the very purpose of social entrepreneurship.

### Background:

In a country with immense entrepreneurial talent but weak support system, the developmental hurdles faced by social entrepreneurship are considerable. The objective should be to support entrepreneurs who act as catalysts and start a cycle for change. This will aid the creation of opportunities for communities and develop a more empowered and enlightened population. In contrast, charity in practice is often a onetime effort vis-à-vis social entrepreneurship which looks to create long term social value.

Innovation is crucial for social entrepreneurship to prosper. It is unfortunate that in Pakistan the environment and market conditions provide little room for innovation. The culture in general does not nurture creativity and hence few platforms are available which promote curiosity and experimentation. There is a general fear associated with taking risks and this can be directly attributed to the political, economic and security environments in the country. Government policies and frameworks tend to be rigid and bureaucratic, often obstructing the process of creative destruction.

The strength of a social enterprise comes from two things; scalability and sustainability. Social enterprises can reap financial returns and can benefit future generations. They can create large scale social impact and hence attract the interest of business angels and local and international investors.





## Findings:

### The role of Government:

Pakistan is an emerging economy and has the potential of contributing to global economic growth, but after a period of 60 years is still stuck in a poverty trap. Since its inception Pakistan has been a heavily planned economy. The creation of a knowledge driven economy providing opportunities for innovation has failed to materialise due to a lack of democratic institutions and the absence of sound, legal frameworks and regulations encouraging development.

During the one week tour, the Commission was able to ascertain the centrality of the role of government to the development of the entrepreneurial landscape in Pakistan which it has not been able to deliver. There is lack of direct funding, focused training programmes or assistance from the government to support social innovation. The academic standards in government schools focus on rote learning, rather than providing opportunities for the young to experiment and create. There are few avenues available that nurture creativity – a vital component of innovation.

The political, legal, social and business environment in the country has been uncertain. Doing good in a country like Pakistan becomes difficult when the political environment is unstable and the social entrepreneur does not feel a sense of security with respect to long term investment opportunities. The legal environment is fuzzy as analytical and ethical jurisprudence is vague and the social divide continues to increase creating a dearth of social opportunities. Although there are many avenues and potential markets open for investment, generally the investor does not feel safe as the risk and returns fluctuate greatly in this unstable macro environment.

It is unfortunate that the government's stance on developing the education system, providing platforms for knowledge accumulation and creating a level playing field for social entrepreneurs appears rather passive. This along with the macro economic factors stated above creates the biggest hurdle in the progress of social entrepreneurship and innovation in Pakistan.

### Finance:

Pakistan ranked first in Asia and third in the world for a healthy microfinance business environment according to a survey by the Economist Intelligence Unit. According to the EIU survey, Pakistan ranked number one in regulatory frameworks and practices and number five in supporting institutional framework. Although the country's microfinance industry is showing fast growth, it currently has only 2.2 million customers. According to the Pakistan Economic and Social Review, the total potential of the microfinance market is 25 to 30 million borrowers, so one can imagine that with just 2.2 million borrowers at the moment, MFIs have barely scratched the surface. Currently eight large Microfinance Banks are operating in Pakistan; namely Khushali Bank, The First Micro Finance Bank, Tameer Microfinance Bank, Network Microfinance Bank, Pak-Oman Microfinance Bank, Kashf Bank, NRSP Bank, and Rozgar Microfinance Bank. The top three microfinance banks have registered an annual increase of 35% in growth. The government of Pakistan has set a target of reaching at least 10 million microfinance borrowers by 2015. In order to further this aim the State Bank of Pakistan is revising its regulations, easing frameworks and trying to assist microfinance institutions.

According to Nadeem Hussain - CEO, Tameer Bank, "The single largest need of the low income segment is access to capital which they need to create or enhance their business. In the world of microfinance as little as Rs. 10,000 [\$95] can make a difference in the quality of life of a borrower."

Access to finance for social entrepreneurs in Pakistan remains a problem due to a lack of understanding of social entrepreneurship. The confusion with charity and not-for-profits, combined with the scale and impact of social entrepreneurship is not completely understood. Financial institutions, based on the risk they perceive and a lack of adequate understanding of



40% of the micro financing borrowing comes from agricultural and livestock sector and these loans are being provided by only a few Micro Finance Institutions (MFIs). The remaining sectors of the rural economy continue to be neglected and do not have access to finance; the opportunity to develop on their ideas and potential is not available.

In areas where these microcredit lenders are not available, most microfinance borrowers have to opt for borrowing from relatives or other money lenders who do so at high interest rates. These small borrowers are excluded from the business matrix of commercial banks as they do not have the required collateral without which institutions are reluctant to lend. In addition, most of these clients are not properly educated, thus formalisation and paper work become problems creating further obstacles in access to funding. A vicious cycle ensues; limited capability to manage finances causes difficulty in accessing finance.

### Supporting Talent:

Human capital is one of the strongest resources available to a nation. It is crucial for organisational success and often offers the best return and promise for sustaining an enterprise and ensuring it achieves its goals and missions.

Pakistan will need 36 million more jobs in the next 10 years with its population increasing by 44% over the next 20 years. It remains to be seen how these jobs will be created when the investment climate is severely debilitated and macro-economic conditions are unstable.

Creating avenues and platforms for the promotion and encouragement of entrepreneurship in the country is a possible answer. Retaining talent is a serious issue in the country. The lack of support or encouragement for entrepreneurs at all ages within Pakistan saps enthusiasm and encourages the inevitable migration of talent abroad for those who can afford it, leaving many of those who can't, despondent.

In the urban centres of the country such as, Karachi, Lahore and Islamabad, most students hope to secure a job with a corporate. It is unfortunate that even at an academic level little is done to fuel entrepreneurial talent. Students engage at an institutional level in business plan competitions but most are unable to follow through with their business ideas after the competition ends. There is no sustainability because there is no support. In spite of all the passion and zest discovered by the Commission, many young people remain disillusioned because the existing systems and frameworks are inadequate to support or pave way for them to turn their ideas into reality. Without opportunities for skills development and mentoring, their potential is left uncultivated. Ignoring this issue may leave Pakistan with a skills shortage and one of the biggest human resource concerns for the country.

### Access to markets:

According to the i-genius Asia survey of Social Entrepreneurs in 2012, securing customers is the top need of any social business, and access to markets for Pakistan's social enterprises is an area that requires immediate attention. There is currently no centralised platform or directory available in the country showcasing Pakistan's existing social enterprises and their social products and services.

### Education and Training:

Pakistan's education system is on the verge of collapse. According to a survey conducted by UNICEF, a total number of 20 million children out of whom 7.8 million are of primary school going age, are out of school and do not have access to education. Pakistan has the second



largest number of out of school children in the world. Only 49.9% of a population of 180 million people are educated, and government spending on education is only 2.3% of the GNP. Seven times more is spent on defence than on education.

Education fuels the entrepreneurial mind making it more aware of the possibilities available. It creates thinkers and visionaries and provides a platform for creativity and directs individuals on how to innovate. There are several challenges that plague the progress of education in the country, one of the biggest is the social divide which exists and limits access to education for certain strata of society.

The Commission identified that in order to further the growth of social entrepreneurship in the country, access to even a basic level of quality education is imperative. The current level of basic education does not focus on aspects of entrepreneurship or developing creativity in students. Experimentation is not encouraged thus students fail to develop the foresight to innovate.

At university level, although there are courses on entrepreneurship, more can be done to create an understanding of social entrepreneurship. There is a lack of expending knowledge on how to analyse, design and implement actions that can solve social economic issues. There is a need to enhance the capabilities of students at an undergraduate and graduate level for policy analysis with an overall purpose of solving specific social issues. It is unfortunate that the underlying belief about social entrepreneurship is that its sole purpose is to make money rather than being understood as a tool which can bring sustainable change and improve communities.

Training plays an important role in the progress of social entrepreneurship; however, there are only a few institutions in Pakistan that focus on this aspect. Without proper training most social enterprises are unable to reach their full potential or further develop their business ideas. Capacity and skills building training programmes are negligible in rural areas although some institutions like PPAF and the Hashoo Foundation are working hard to change this.

### Diaspora:

Approximately seven million constitute the Pakistani Diaspora with a vast majority residing in the Middle East, Europe, and North America. These seven million Pakistanis are an important source of remittances and have contributed \$11.2 billion to the economy in 2012 and \$13 billion in 2013. Despite the welcome remittance, brain drain on the knowledge base of skilled labour is harmful.

Currently there is little engagement of the Diaspora in developing social enterprises in Pakistan. Nongovernmental institutions, private sector organisations and the Diaspora are operating in silos. Their efforts are not combined and unfortunately there is no platform or methodology available to combine their talents and capabilities.

### Women:

Pakistan's total population consists of 49.2% females yet according to official statistics released by the Federal Education Ministry in Pakistan, only 26% of the total educated population are women and only 40,000 of the 163,000 primary schools in Pakistan are meant for girls. The situation is even more alarming in the rural areas of the country where female education is resisted on account of traditional and religious views. Only 35% of rural women in Pakistan above the age of 10 have completed primary education according to the World Bank. The situation is rather critical in NWFP and Balochistan where female literacy rates range from 3% to 8% only.







According to the Global Entrepreneurship Monitor Report of 2012, only 1% of Pakistani women are participating in entrepreneurial activities and almost half are illiterate. The completion rate at primary school level for girls is 58% as opposed to 70% for boys. According to the 2011 Human Development Report of the UNDP approximately twice as many males as females receive secondary education.

Access to capital for women is a problem due to a lack of financial literacy. Banks are also reluctant to give loans to those women who do not have any male guardians. Prejudice exists whereby male members represent financial stability and it is thought that women cannot earn on their own.

A working woman is still considered a stigma in most parts of Pakistani society and a woman who seeks to empower herself by following her dreams and passions is considered selfish and potentially labelled a 'bad wife' or 'bad mother' because she chooses to have an independent career.

Educated women are seen as a threat in a male-dominated society like Pakistan. Women, who have managed to make it in terms of work or career, often find themselves stuck in middle management, unable to make a transition to senior management because of the gender discrimination.

### Ethics:

Corruption is deeply corrosive, harming all aspects of the business cycle. Day-to-day business exchanges, investment decisions, dealings with government officials are all affected. Corruption is a major barrier to creating and scaling a business. Worse, those who are successful are often deemed to have used corrupt methods to achieve their success; a poor inspiration to others, especially the young. The overall affect is a reduction in Pakistan's productivity, moral fibre and general happiness of its citizens. Ethics underpins the work of social entrepreneurs. Their development and prosperity represents a challenge to corruption in society. Corrupt practices range from the petty requirement to give small service fees, as cash-in-hand, for everyday activities, such as the transport of goods and materials, to large-scale kick-backs for the awarding of significant infrastructure contracts. The substantial institutionalisation of corruption within Pakistan, which had been suggested to the Commission, is not unusual in rapidly developing societies. Pakistan has the additional problem where the state is largely mistrusted and, hence, the payment of taxes and use of standard fiscal measures for income distribution are rudimentary.

But Pakistan can draw upon its largely Muslim traditions to champion the cause of ethical business. The requirement of zakat, the giving of 2.5% of income, as one of the essential pillars of Islam and a means of modest redistribution together with the waqf, which applies to the charitable distribution of a portion of an estate, after death, or, during life, for purely philanthropic purposes plays a majority role in Islamic philanthropy. Islam is notable as one of the most charitably disposed Faiths. In addition, the growing attention paid to Islamic finance, based on fees for services rather than interest, indicates the importance of Muslim practice as a legitimate, ethical business model.

The ethics of social enterprise is founded on an understanding that business should be fully sustainable. This needs to be accounted in both financial and in terms of meeting clear social purposes. These may be defined in terms of 'social value', 'triple bottom line accounting', or a range of definitions of 'social investment', inter alia.

### International Perceptions:

According to a BBC Poll conducted in 2012, Pakistan was ranked second in the list of most negatively rated countries in the world, however, the Commission felt that Pakistan's poor image abroad was distorted. Despite the unstable macro economic conditions there is now greater political stability represented by the recent transfer of one democratically elected government to another. The image of a hard, fundamentalist, volatile nation is only half the picture and not a very accurate one;





Pakistan has not been able to develop a positive brand image. It does not have a strong cultural presence abroad which detracts from its ability to counter the mainly negative mainstream media coverage it attracts globally. Pakistan has a rich history producing a number of literary geniuses, artists, scientists and scholars but unfortunately this side of Pakistan is too often scarred by images of violence and poverty.

### Youth:

Pakistan has one of the largest youth populations in the world. According to the Election Commission of Pakistan, out of the 84 million registered voters, 47.8% are aged between 18 and 35, while 19.8 per cent, or 16.88 million voters, are under the age of 26. The vast majority of this population is residing in the rural areas of the country where access to education, skill and capacity building opportunities is greatly limited.

For the urban youth population which has access to education, there is little understanding of the potential of entrepreneurship or access to university courses on social entrepreneurship. Mentoring and career counselling is also not easily available.

Pakistani youth are passionate and have tremendous capacity to contribute to the progress and development of Pakistan, yet they are disillusioned, restless and unhappy with the current status quo. According to research conducted by JWT, Pakistani youth are extremely anxious about crime and terrorism, rate of unemployment and lack of opportunities in the country. There is insufficient career counselling regarding the future possibilities. Many of those who can, choose to migrate to other countries for better opportunities.

### Rural communities:

According to a World Bank Survey, 63% live in the rural areas of Pakistan which in turn accounts for almost 80% of the country's poor.

Agriculture is the main source of income in the rural economy. Despite the fact that Pakistan is an agrarian based economy and a substantial portion of the GDP comes from the agriculture sector, things have not improved in a major way for the marginal and the landless farmers. They are deprived of adequate income sources, housing, healthcare, education, hygiene and sanitation and basic human rights. The lack of opportunities in the rural areas, lower wages and seasonal occupation, is creating a population migration to urban centres which are already battling to provide adequate resources to all; hence this shift creates more slums, unemployment and crime.

Unequal land ownership is one of the main causes behind rural poverty. Land is the prime asset in agriculture, it is, however, unfortunate that a majority of farmers have either very small holdings or are landless. Ownership of large land holdings is concentrated in a small number of households. In addition, unfair tenancy agreements do little to protect the rights of the small land owners. This places poor farmers at the mercy of the feudal or the large land owners, serving the master and not realising their true potential.

In non agricultural sectors of livestock, labour, trade and services, wages are low and without formal training the insight on how to increase productivity is limited. Government policies do little to address rural poverty, landless farmers and the non-agricultural rural community.

Educational facilities tend to be deficient, gender discrimination is high and education for girls is almost non-existent. There is stark disparity between the educational attainment levels and health indicators of the rural population compared with the urban population.





## Way Forward

### Public Sector

#### 1. Involvement of the Public Sector/Government Bodies

If the government develops a mandate of helping promote social enterprises it can create a strong support system for social entrepreneurship and provide an environment conducive for innovation. Finance, grants or loans should be provided to boost social entrepreneurship. At the same time enabling and nurturing new ideas of philanthropy will help reduce entrepreneurial dependency on unsustainable donor driven funding. Government bodies at the regional level can also help link social enterprises and create community alliances which can lead to social enterprise hubs at a regional as well as national level. A policy should be introduced where both public and private schools in the country add some elementary concepts of entrepreneurship to their curriculum.

The government should also work towards streamlining bureaucracy impeding the development of start-ups and growth of social ventures. Creation of alternative legal options for the constitution of social businesses covering for-profit, not-for-profit and blended versions of the two would pave the way for progressive growth of social entrepreneurs. There should be open government procurement to social businesses, perhaps aided by a Social Impact Bond.

### Private Sector:

#### 1. Micro Finance Institutions (MFIs)

MFIs should expand their pool of officers able to carry out field research and assess the industry, required loan sizes and potential for non financial services. A network should be created in order to support crowd funding initiatives. Crowd funding is a great way to start social enterprises and give people a reason to contribute to something they care about. It creates awareness of social problems at the community level and allows investors to reap non-financial rewards. Pakistan's brilliant tech students need to be encouraged and provided with a platform to develop the first Pakistani designed and built crowd funding site, allowing investors to contribute directly to initiatives they feel passionately about.

#### 2. Social Investment Funds

Creating a Social Investment Fund in Pakistan can provide members from the Diaspora and the international and local communities a chance to invest in high potential social initiatives. These enterprises should be aligned with the overall mission of the social investment fund and must have a mandate that creates a deep social impact.

#### 3. Business Leaders

Leading business and policy thought leadership should focus on bottom up structured social investment targeted at multiple sectors.

### Entrepreneurial Support

#### 1. Incubators

A comprehensive survey to determine the existing talent that is present in the country across a multitude of fields would help assess the future talent gaps that exist or may arise as a consequence of the drain of talent leaving the country. Incubation Centres should be expanded to provide aspiring entrepreneurs (traditional or social) with a proper environment where they can develop their ideas and find guidance, counseling and mentoring by industry experts. This should be done with private sector partnerships as collaboration would lead to sustainable growth.



## 2. Online Market Place

Social enterprises should develop an online marketplace to present products and services to customers. This online marketplace/portal can act as a hub for all members belonging to the social entrepreneurship community for knowledge, information exchange and purchases.

## Engaging the People of Pakistan

### 1. Connecting Communities

Seminars, think tank sessions, and conferences should be arranged on the role of the Diaspora in supporting social entrepreneurs and social businesses in Pakistan where large Pakistan Diaspora have settled. An online network of global Pakistani Diaspora could create real time knowledge exchange between people and spread awareness of current projects that require funding. The Diaspora should be encouraged to invest back in Pakistan via a new Social Investment Fund as part of a structured way of contributing to their original community.

### 2. Promote Positive International Perceptions

The people of Pakistan are the best asset in combating the negative image of the country. Social media in particular offers citizens a global opportunity to present their communities and country as a whole in a positive light. The Commission examined the potential of a citizen led campaign, tentatively titled 'My Pakistan', and would welcome such community based initiatives to take place.

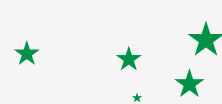
## The Media

The media (electronic and print) should be encouraged to give a greater balance towards 'good news' about Pakistan, the achievements and the strengths of the country by:

- 1) Promoting Pakistan's rich history by creating awareness about its art, literature and creative fields. For this purpose, a road show that is focused on promoting the arts, crafts and creative industries of Pakistan would be beneficial.
- 2) A further road show based on this report will be conducted to the overall business and investment potential of the country.

## Investment in Youth

- 1) Youth employment should be integrated with the overall employment strategies for the country.
- 2) Industry specific requirements should be taken into account to produce a skilled workforce more relevant to that sector.
- 3) Legislation and taxation policies for the youth should be relaxed in order to encourage them to start small enterprises and micro-businesses. Access to funding should be made easy for the youth and the Social Investment Fund should have a special sub-fund which specifically caters to the funding needs of projects initiated by, or for, the youth.
- 4) Incubation centres should be established to provide business advice in the shape of mentoring and guidance. These incubation centres can also be used for running workshops and training programmes to develop the business acumen, skill and capacity of the youth. An online network of these incubation centres should be created, in order to develop a hub for business ideas. This online network can be used in order to attract potential investors to fund projects and enterprises that are initiated by the youth.



## Rural Community Development

- 1) More even distribution of land is required for effective expansion of rural social enterprises. The government, public and private enterprises should focus on empowering the farmer and address the plight of landless farming tenancy issues.
- 2) Education and training to help people find jobs, match their skill set, and introduce them to innovative ways of conducting their activities.
- 3) Social enterprises, the government, donor agencies, and investors should pool their knowledge and resources to grow and build the rural infrastructure, focus on water, health, roads, schools, sanitation, sewage, utilities, and housing.
- 4) To develop the grass root entrepreneurs, rural entrepreneurship awards can be held which recognize the efforts of these entrepreneurs at all income levels in the rural community.
- 5) Knowledge exchange to help new enterprises via partnerships and collaboration between urban and rural entrepreneurs.

## Empowering Women

- 1) A new education policy for women to improve the levels of female education and develop their business acumen at the urban and rural level.
- 2) Media initiatives including social media would help to change mindsets in the country so that women can be accepted in professional roles other than the traditional roles that seem to be strongly associated with their gender.
- 3) Social entrepreneurship policy making bodies in the country should seek to have high level of representation of women.
- 4) An 'All Pakistan Women Social Entrepreneur Network' should be developed to act as a hub where exchange of knowledge between female entrepreneurs can take place.
- 5) Access to finance development should be part of the Social Investment Fund and priority given to them for provision of access to financing from MFIs and other financial institutions. Agricultural credit should also be available to women performing in the agricultural sector.

## Formal & Informal Social Entrepreneurship Education

- 1) Revise primary and secondary school curriculum to boost creative thinking. It should help young people to come up with innovative concepts and solutions to problems which are the building blocks of social entrepreneurship.
- 2) Develop high quality university level curriculum for social entrepreneurship programmes and boost academic and student exchanges both domestic and international.
- 3) Social entrepreneurship or entrepreneurship programmes should train students on identifying social issues, come up with innovative solutions, and how to pitch proposals to investors. Policy makers, legislators, educators, sponsors, and social entrepreneurs should share better practices on how to improve the standards of education for social entrepreneurs, thinkers and visionaries.
- 4) Improved training and education for farmers to better utilize inputs and improve agricultural growth. Training programmes for landless farmers and non-agri based rural population should be developed which focus on capacity building and developing entrepreneurial acumen.



## Opportunity Pakistan

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.

### Policy Paper by i-genius & SEED Opportunity Pakistan

Opportunity Pakistan is a new initiative to promote social entrepreneurship and the social economy amongst social entrepreneurs, policy makers and stakeholders.

### About 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.

### About SEED

SEED - Social Entrepreneurship & Equity Development is a for-profit company with a strong mandate to develop the entrepreneurial ecosystem of Pakistan as well as bridging gaps between public and private sectors, community and nations. SEED has a strongly established presence in Pakistan, the UK, Sri Lanka and the UAE.