General Guidelines for Business Support Facility

Background of the Project

In response to the priorities of the Government of Pakistan on poverty reduction, and employment generation, the World Bank in close consultation with Government of Balochistan (GoB) and relevant stakeholders have designed the Balochistan Livelihoods and Entrepreneurship Project (BLEP) focusing on improving livelihoods of rural communities by promoting employment opportunities and sustainability of enterprises in project districts through development business support facilities. The objective of the provision of grant for the Business Support facility is to develop dynamic, internationally competitive private sector micro, small and medium enterprises (MSME’s) by working directly at the individual or firm level and improving the overall business operations, MSME’s revenue, and creating employment to undercut the impact of refugees’ influx and extremism. These MSME’s are expected to create employment opportunities for rural communities and achieve sustainability of enterprises in the selected districts of Balochistan. The project will help local entrepreneurs and individuals to enhance profitability and income provision. These enterprises will help in making a significant contribution to the reduction of poverty and uplifting the host communities through business opportunities. The BLEP will offer a comprehensive set of interventions in financial assistance, technical assistance, training, certifications and standards, local and export marketing, and technology upgrades that strengthen SMEs and create a robust private sector.

1. Business Support Facility Geographical Location:

The business support facility should be established in any of the following nine districts.

Killa Abdullah/Chaman, Killa Saifullah, Chagai, Sherani, Pishin, Mastung, Zhob, Nushki and Gwadar.

1. Who Can Apply

Beneficiaries from Balochistan province fulfilling the following criteria may apply for the Business Support Facility (BSF).

1. Must agree to minimum contribution Ratio: BLEP (70%): Grantee (30%).
2. Possess a valid CNIC and must be a local of Balochistan.
3. The applicant must have a minimum of three years of verifiable business experience. Relevant and more than five-year business experience will be given preference.
4. Must agree to establish the business support facility in Killa Abdullah/Chaman, Killa Saifullah, Chagai, Sherani, Pishin, Mastung, Zhob, Nushki and Gwadar.
5. Must have a sustainable business idea explained through a clear business proposal, given on the BLEP website (blepgob.org.pk).
6. Must agree to register the NTN number of the BSF Supported or established through the BLEP Grant.
7. The preference will be given to the local of the respective nine districts where the BSFs will be established.
8. Must agree to pay grantee share upfront at the time of approval of grant.
9. Must adhere the National/local environmental laws/regulations and project Environmental and social safeguards.
10. Willing to abide by any other factors that may be added by BLEP in the better interest of BSF.
11. Must follow the guidelines prepared for the implementation of BSF (Guidelines available on BLEP website).
12. Ineligible Expenses

BLEP grant funds may not be utilized for the following:

1. Purchases of goods or services restricted or prohibited under the prevailing government rules.
2. Any purchase or activity, which has already been made prior to the signing of the grant agreement.
3. Purchases or activities unnecessary to accomplish grant purposes as determined by the BLEP Project.
4. Prior obligations of and/or, debts, fines, and penalties imposed on the Grantee.
5. Any kind of cash investment or endowments.
6. Purchases of restricted goods, such as: restricted agricultural commodities, used equipment, or prohibited goods, alcoholic beverages.
7. Purchase of vehicles, other than machinery required for business operation subject to BLEP approval.
8. Any expense related to groundwater pumping (e.g. Solar pumping system, Boring/tube well)
9. Ceremonies, parties, celebrations, or “representation” expenses.
10. Any other investment or purchases without the prior approval of BLEP concerned authorities.
11. Ownership

The Business Support facility will be owned by the grantee.

1. Registering Body

The Business Support Facility/ MSMEs will be registered with the relevant/legal entity of Balochistan government.

1. Business Proposal

The Business Support Facility application/proposal will be developed by the applicant and submitted to the BLEP office for review and assessment.  The proposal should cover the components illustrated in proposal given on the website.

1. Operational Responsibilities

The operations (E.g. Manufacturing, purchasing, supply chain management, distribution, human resources etc.) will be the responsibility of grantee. Moreover, ensuring the safety and security of the BSF will be the sole responsibility of the Grantee. Moreover, the grantee cannot sublet the business facility to any third party, nor can he sell out the business facility.

1. Land for BSF

The provision of Total Land needed for BSF will be sole responsibility of the Grantee.

1. Award and Administration Information

All grants will be negotiated, denominated, and funded in Pakistani Rupees (PKR). All costs funded by the grant must be allowable, allocable, and reasonable. Grant applications must be supported by a detailed and realistic budget. Issuance of this RFA does not constitute an award or commitment on the part of BLEP, nor does it commit BLEP to pay for costs incurred in the preparation and submission of application. Further, BLEP reserves the right to accept or reject any or all applications received and reserves the right to ask further clarifications, information or documentation from the applicants.

1. Business Sectors

The project has identified 6 main sectors based on their feasibility in the selected districts of Balochistan. These sectors include Agriculture, Livestock, Mines & Minerals, Handicrafts and Small Industries, Ecotourism and Forestry. In this priority will be given to the business proposals that are and improving the value chain of the indigenous product, employability of local populations, business operations automation, financial sustainability, expansion of established business, with the potential to engage in value addition activities with the community. The beneficiaries are expected to develop their own business plans on the given format on website, related to six sectors. Moreover, In Annexure I a list of potential businesses is given under every sector, however other suitable, economically viable business ideas subject to the approval of PMIU and sound feasibility will be considered for business support facility.

1. The Grant Cycle ­

The workflow for BLEP grant is given below.

1. Business Support Facility Implementation and Monitoring
2. The Grantee shall implement the approved BSF proposal, in compliance with the Procurement Guidelines, the Consultants Guidelines, the Anti-corruption Guidelines.
3. The Grantee shall establish and/or maintain procedures that would allow the Project Implementing Entity and/or the associated bodies to carry out supervision and monitoring activities in respect of the Grantee’s implementation of the financed BSF, as the case may be.
4. The grantee shall prepare and furnish to the Project Implementing Entity and/or the associated bodies all such information that the Project Implementing Entity and/or the associated shall reasonably request in relation to the financed, BSF.
5. The Grantee shall maintain records and accounts adequate to reflect, in accordance with sound accounting practices, the operations, resources and expenditures incurred in the implementation of the BSF, as the case may be, and, upon the Project Implementing Entity’s or the associated bodies’ request, shall have such records and accounts audited in accordance with appropriate auditing principles consistently applied by an independent auditor.
6. The grantee shall accept random and/or unannounced physical or documentary inspections by the Project Implementing Entity and/or the associated bodies in connection with the implementation of BSF.
7. If so determined by the Project Implementing Entity during the screening of the BSF proposal, as the case may the Grantee shall implement such BSF proposal in accordance with Safeguard Document(s) prepared and applicable thereto, which document(s) shall have been prepared and disclosed prior to the award of the Matching Grant;
8. In the event that the BSF proposal was to be implemented in partnership, all the partners participating in such BSF shall be deemed jointly and severally liable for all the obligations and requirements set forth in the Matching Grant Agreement;
9. The Project Implementing Entity shall have the right to suspend or terminate the right of the Grantee to use the proceeds of the Matching Grant;
10. The Grantee’s acknowledgment and consent to the Project Implementing Entity’s right of restitution of any amounts disbursed under the Matching Grant with respect to which fraud and corruption has occurred.
11. The Grantee shall commit to the objective of the Project; and undertake to the implement the BSF, as the case may be, in accordance with sound technical, financial, managerial, social and environmental, and labor standards; and
12. The grantee shall provide, promptly as needed the resources required for the implementation of BSF proposal, including a minimum contribution, in cash.
13. Guidelines for BUsiness Support Facilities

These are the general guidelines/mechanism, which can be amended based on investor’s business proposal and BLEP Committee’s assessment and recommendations.

1. Business and financial plans of BSF must be presented on required format and attached for committee’s review & initial shortlisting. Which will be followed by third party evaluation and feasibility for final approval.
2. The investor has to register their business as tax filers before approval of their grant.
3. The provision of Total Land needed for BSF will be sole responsibility of the investor, and will not be considered in-kind. Any constructed building on the given land will not be considered as in kind.
4. All financial transactions would be processed through banking channels.
5. BSF will be awarded purely on matching grants on (30%-70%) share.
6. Investor should be responsible for any kind of contingent liabilities.
7. Monitoring and evaluation mechanism will be mandatory and ensure that the BSF will run as per their proposal and in its true spirit, if investor will not follow the agreement clauses legal action will be taken against the investor.
8. Application and Submission Information

Applications shall be submitted in English or Urdu.

Duly signed grant proposal along with supporting documentation should be submitted to BLEP on BLEP postal address through registered postal service not later than 19 June 2023.

Late/Ineligible/Incomplete/unresponsive applicants will not be considered for further steps.

Due to large volume of applications BLEP may not be able to respond back to every applicant. However, in case you do not hear back from BLEP within 3 months of submission of your application it can be implied that the application did not qualify among the top ranked applicants as per the evaluation criteria and the number of grants available.

Annexure I

**Business Sectors**

The following are some of the business ideas, however any other suitable, economically viable business ideas subject to the approval of PMIU and sound feasibility will be considered for business support facility.

**Agriculture Sector**

Cold Storage.

Dehydration facilities.

Juices, Jams & Marmalade production.

Olive oil extraction and packaging facility.

Export led fruit processing and packaging plant.

Agriculture transformation.

Export led organic farming.

Automated Vineyard farm.

Agriculture farm automization.

Model farms and nurseries (Mechanized).

Efficient irrigation management.

Fruit and Chili processing facilities.

Any other business idea related to Agriculture.

**Livestock Sector**

Automated and Semi-automated dairy and poultry farms.

Milk processing plants/milk chillers.

[Broiler Production and Management.](https://www.thepoultrysite.com/articles/broiler-production-and-management)

Slaughter house, meat processing and packaging.

Commercial Hatchery facility.

Any other business idea related to Livestock.

**Small Industries**

Automated wool processing.

Carpet weaving.

Handicrafts.

Food processing.

Small and medium size Industries.

Pottery.

Cloth Embroidery.

Rugs and Wall Hangings.

Hide and Skin processing plants.

Automated looms.

Any other business idea related to small industries.

**Ecotourism**

Developing tourist facilities.

Wildlife Viewing.

Zip Line Excursion.

Small tourism activities generation.

Developing natural site for tourism.

Any other business idea related to Ecotourism.

**Mines and Mineral**

Developing indigenous mines and minerals sites.

Marble, Onyx & Granite Processing.

Marble, Onyx & Granite Mosaic.

Chromite Beautification.

Improving value chain of indigenous minerals.

Export led processing of local minerals.

Any other business idea related to Mines and Mineral.

**Forestry**

Pine Nut growers.

Sustainable Forest development.

Production of industrial round wood, wood fuel and charcoal.

Forest management for timber and wooden furniture.

Medical Plants.

Any other business idea related to Forestry.