

Report on the 8th D-8 SME Governmental Bodies Meeting Virtual 10 September 2025

The Small and Medium Enterprise Development Authority (SMEDA) of the Islamic Republic of Pakistan hosted the 8th Meeting of the D-8 SMEs Governmental Bodies on 10 September 2025 in virtual format. Delegates from the Republic of Azerbaijan, the People's Republic of Bangladesh, the Republic of Indonesia, Malaysia, the Federal Republic of Nigeria, the Islamic Republic of Pakistan, and the Republic of Türkiye attended the meeting. The list of participants is attached as **Annex 1**.

Agenda Item 01: Opening

1. Mr. Socrat Aman Rana, the Chief Executive Officer of Small and Medium Enterprises Development Authority (SMEDA), welcomed all delegates to the meeting. Thereafter, he invited Mr. Saif Anjum, Federal Secretary, Ministry of Industries and Production of the Islamic Republic of Pakistan, to deliver the opening remarks, and declared the meeting opened.
2. In his remarks, Mr. Anjum stressed the leading role SMEs play in economic growth. He called for the integration of SMEs into the global value chain to open a pathway for collaboration, ensuring SMEs become global players. He assured Pakistan's readiness to collaborate with other D-8 Member States to unlock opportunities for SMEs. His statement is attached as **Annex 2**.

Agenda Item 02: Adoption of Agenda

3. After considering the draft agenda, the meeting adopted the agenda, as attached, at **Annex 3**.

Agenda Item 03: Statement by Ambassador Isiaka Abdulqadir Imam, the D-8 Secretary-General

4. H.E. Ambassador Isiaka Abdulqadir Imam, the Secretary-General of the D-8, presented the progress report of the D-8's SME cooperation. He noted that seven meetings of the D-8 SME Governmental Bodies have been held, since the Body was established in, 2010. He listed the activities undertaken by the Body, since its establishment as follows:
 - i. SME financing Model Workshop was organized in Tehran, in 2015.
 - ii. Cluster Development Training was held in Tehran, in 2015.
 - iii. D-8 Workshop on Microfinance for Micro, Small and Medium Enterprises was held in Abuja in 2013.
 - iv. First D-8 Forum on Small and Medium Enterprises and Health Market was held in Abuja, 2022.
 - v. Inauguration of the D-8 SME Center in Abuja in June 2025.
5. Speaking further the D-8 SG underscored the need for SME authorities in member states to forge closer cooperation to advance the D-8 SME cooperation. In this regard,

he called for regular meetings of the D-8 SME Governmental Bodies. The D-8 Secretary-General's remarks are enclosed as Annex 4.

Agenda item 04: Statements /Country Reports/ Presentations on SME Development by Heads of SME Bodies from Member States.

6. The Heads of Delegation of the respective SME bodies of D-8 member states delivered their respective countries' progress in the SME Sector. The views expressed by heads of delegation are below.
7. **Azerbaijan:** The delegate from Azerbaijan presented the activities of the Small and Medium Business Development Agency of Azerbaijan (KOBIA). He stated that businesses in Azerbaijan are categorized into micro, small, medium, and large businesses, adding that these companies are supported by three SME houses located in Baku, Khachmaz, and Yevlakh. Speaking further, the delegate highlighted KOBIA's efforts in sustainability, particularly green SME transition in line with Azerbaijan's hosting of COP 29. The presentation is attached as Annex 5.
8. **Bangladesh:** The delegate from Bangladesh informed the Meeting that women own 95% of SMEs in the country. He added that the SME Foundation of Bangladesh provides training on access to finance, matchmaking, and facilitation of international fairs. He concluded that SMEs in Bangladesh play a central role in rural employment and poverty reduction.
9. **Indonesia:** The delegate from Indonesia informed the meeting that there are about 64 million SMEs in Indonesia and contribute 60% to the Gross Domestic Product (GDP). He stated that a comprehensive country report will be represented at the next meeting.
10. **Malaysia:** The delegate from Malaysia informed the meeting that SMEs make up 96% of businesses in Malaysia, contribute 39% to GDP, and employ around 8.1 million people. The delegate further noted that, according to the 13th Malaysia Plan (13MP), SMEs are encouraged to integrate into the global supply chain, participate in high-impact industries, and improve their ICT inclusion in business. The delegate expressed readiness to collaborate with SME governmental bodies of the D-8 in cross-border SME capacity building programs and technology transfer.
11. **Nigeria:** The delegate from Nigeria informed the meeting that SMEs contribute 48% to Nigeria's GDP and employ around 84% of the workforce in Nigeria. She added that the agriculture sector accounts for the largest SMEs in Nigeria, followed by the retail sector.
12. While speaking on activities of Small and Medium Enterprises Development Authority of Nigeria (SMEDAN), the delegate highlighted the following programs to support SMEs in Nigeria: GROW initiative, Cluster Development Support for MSMEs, GROWHer - Accelerator Programme, Products and Marketing Enhancement Scheme (PAMES), Advancement for Women in Agriculture (AWAKE), Agro-allied and Cottage

Enterprises Program, National BDSPs Certification and Accreditation Framework (NBCAF), Mind Shift Entrepreneurship Programme (MSEP), Conditional Grant Scheme For Micro Enterprises (CGS), One Local Government One Product (OLOP).

13. **Pakistan:** The delegation of Pakistan informed the meeting that SMEs in Pakistan contribute 40% to GDP, 31% to exports, and employ around 78%. The delegate in her presentation highlighted that SMEs in Pakistan participate in the following sectors: engineering, ICT, gems and jewellery, horticulture, construction, fisheries, dairy and livestock, leather, tourism, and others. The delegate highlighted government's priority to support the SME sector through enhancing access to finance, boosting exports, SME sub-contracting, gender empowerment, climate resilience, and micro enterprises. The presentation is attached as Annex 6
14. **Türkiye:** the delegate from Türkiye, represented by the Small and Medium Enterprises Development Organization (KOSGEB), informed the meeting that KOSGEB has collaborated with the Islamic Development Bank (IsDB) and the Islamic Centre for Development of Trade (ICDT) to support SMEs' internalization drive. Speaking further, the delegate informed the meeting that KOSGEB was working with the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation (COMCEC) to develop a Platform for SMEs in Muslim countries.

Agenda item 05: Discussion on Operationalization of the Memorandum of Understanding (MoU) between SME Governmental Bodies of D-8 Members

15. The Meeting discussed modalities for the effective operationalization of the existing “MoU between SME Governmental Bodies of the D-8 Members”, and agreed on the following.
 - i. To establish a working group to review the current MoU to be equipped with a Plan of Action, timeline, project, and activities to be assigned to each SME governmental body to be implemented under the framework of the MoU.
 - ii. The working group will also review the MoU to include emerging areas of SMEs such as digital transformation, Artificial Intelligence Adoption, Sustainability, Environment, Social and Governance (ESG), start-ups, financing models, market intelligence, global value chain, among others.
 - iii. Each member state is to convey three thematic areas of interest for capacity building.
 - iv. Azerbaijan expressed its readiness to share the draft Action Plan for consideration by the working group.
 - v. Malaysia and Indonesia are to liaise with their respective government to finalize the procedure for signing the MoU.
 - vi. Azerbaijan expressed interest to sign the MoU.

- vii. The working group meeting will be held before the next virtual meeting to be hosted by Nigeria.

Agenda item 06: Introduction of the D-8 SME Center in Abuja, Nigeria. Discussions on Operationalization of the SME Centre

16. Mrs. Fatima Shaibu, the Director-Designate of the D-8 SME Center in Abuja, informed the Meeting that the following programs and activities of the Center will be contained in the draft Action Plan for the Center, which she said will be forwarded to the Secretariat in October 2025.

- i. Compilation of SME activities from member states to ensure experience sharing.
- ii. Benchmark SMEs for Global Practices.
- iii. Capacity building for SME on financial and digital literacy.
- iv. Exchange Programs between SME bodies to share experiences.
- v. Toolkit for business operations and diagnosis of challenges.
- vi. Networking activities through an international event that would be rotated between member states.
- vii. Advocacy to ensure policy reform to support SME in member states.
- viii. Training in Market Entry.
- ix. Creation of a Market Intelligence Dashboard to view opportunities in D-8.
- x. Use of entertainment to promote MSME.

Agenda item 07: Discussion and Deliberation on New Project Proposal for the SME Centre, Abuja, Nigeria

17. The Chair welcomed the proposal presented by the Director-Designate of the D-8 SME Center, under agenda item 06, and invited member states to submit programs and activities to be implemented by the center.

18. The Chair proposed to the meeting to consider the secondment of SME experts to the D-8 SME Center.

Agenda item 08: Any Other Business/ Proposals/ Ideas/ Discussion Points

19. Pakistan expressed readiness to second officers from SMEDA to the D-8 SME Center to strengthen the manpower capacity of the Center.

20. The SG proposed that member states request that trade and commercial attachés in their respective diplomatic and trade missions in Nigeria to regularly visit the Centre in order to interface and exchange ideas with the Centre's leadership.

Agenda item 09: Date and Venue of the Next Meeting

21. Nigeria expressed interest in hosting the 9th Meeting of the D-8 Governmental Bodies Meeting in a virtual format.
22. The meeting agreed that the next meeting should be held within the next six months to maintain momentum for SME cooperation.

Agenda item 10: Closing

23. H.E. Mr. Haroon Akhtar Khan, Special Assistant to the Prime Minister of Pakistan (Minister of State) on Industries and Production, in his closing remarks, commended member states for participating in the meeting. He noted the potential of SME in the D-8 and called on member states to collaborate more to strengthen SME as an engine for economic and trade development in the D-8 Organization. He called on all member states to utilize the D-8 platform to promote SME cooperation and development within their respective countries.

**List of Participants at the 8th D-8 SME Governmental Bodies Meeting,
Virtual, 10 September 2025**

Country	Name	Organization
Azerbaijan	Orkhan Mammadov	Chairman of the Management Board, Small and Medium Business Development Agency of Azerbaijan, KOBIA
	Mr. Amir Shirinbayli	Small and Medium Business Development Agency of Azerbaijan, KOBIA
	Ms. Amaliya R Ismayilova	Small and Medium Business Development Agency of Azerbaijan, KOBIA
	Musayeva Aynur	Small and Medium Business Development Agency of Azerbaijan, KOBIA
	Mr. Rufat Atakishiyev	Small and Medium Business Development Agency of Azerbaijan, KOBIA
	Urfan Nabiyeu	Small and Medium Business Development Agency of Azerbaijan, KOBIA
	Vusala Guliyeva	Small and Medium Business Development Agency of Azerbaijan, KOBIA
Bangladesh	Mr. Md. Nazeem Hassan Satter	Deputy Managing Director/ SME Foundation
	Md. Morshed Alam	SME Foundation
Indonesia	Mr. Ary Aprianto	Minister Counsellor, Ministry of Foreign Affairs of the Republic of Indonesia
	Mr. Otto Gani	Ministry of Foreign Affairs of the Republic of Indonesia
Malaysia	Faridah Nor Binti Mohd Yasin	Policy and International Relations Division, Ministry of Entrepreneur and Cooperatives Development, Malaysia
	Ms. Asha Navaratnam	Economics & Policy Division, SME Corporation Malaysia Ministry of Entrepreneur and Cooperatives Development Malaysia
	Ms. Kamsuzilawati Kamin	Economics & Policy, SME Corporation Malaysia Ministry of Entrepreneur and Cooperatives Development Malaysia
Nigeria	Mrs. Fatima O Shaibu	Director-Designate, D-8 SME Center/ Small and Medium Enterprises Development Agency of Nigeria (SMEDAN)
	Mr. Nasir Gambo	Special Assistant to the Director-General SMEDAN
Pakistan	H.E. Mr. Haroon Akhtar Khan	Special Assistant to the Prime Minister (Minister of State) on Industries and Production
	Mr. Saif Anjum	Federal Secretary, Ministry of Industries and Production
	Mr. Socrat Aman Rana	Chief Executive Officer of Small and Medium Enterprises Development Authority (SMEDA)
	Ms. Nadia Jahangir Seth	General Manager (Policy)
	Mr. Sheharyar Tahir	General Manager (Gender & Sustainability)
	Mr. Chaudhry Ahmad Mansoor	General Manager (Advocacy & Resource Mobilization)
	Mr. Hussain Jahangir	Assistant Manager International Relations
Türkiye	Mr. Fatih Gökyurt	Vice-President of Small and Medium Enterprises Development Organization (KOSGEB) of the Republic of Türkiye
	Canan Ozturan	KOSGEB
D-8 Secretariat	H.E. Ambassador Isiaka Abdulqadir Imam	D-8 Secretary-General
	Mr. Punjul Nugraha	Director, Economy, Implementation, and External Relations
	Dr. Ismail Bello	Executive Assistant

Opening Statement
First Virtual Session and 8th Meeting D8 SME Governmental Bodies

Distinguished Ministers, Excellencies, Esteemed Delegates, Ladies and Gentlemen

Assalam-o-Alaikum, a very warm welcome to you all.

It is both an honour and a privilege to address the first virtual session of esteemed leaders of SME Governmental Bodies of the Developing 8 today.

I am delighted to mark this occasion as a significant step forward in promoting regional economic integration through SME Collaboration. This initiative is more than just a policy initiative, as it represents our collective political will to strengthen regional cooperation, deepen our developmental partnerships, and create an enabling ecosystem for our Small and Medium-Sized Enterprises (SMEs).

The D8 comprising Azerbaijan, Bangladesh, Egypt, Iran, Indonesia, Malaysia, Nigeria, Pakistan, and Türkiye collectively represent a market of over 1.3 billion people, immense natural and human resources, and economies brimming with entrepreneurial talent. By coming together, we are signalling our firm commitment to promoting a competitive, stronger, and more resilient global economy.

SMEs are the driver of growth in any economy. They create jobs, drive exports, and spark innovation. Independently, they face challenges such as limited financing, technological gaps, and restricted market access. However, collectively, we can turn these challenges into opportunities.

The agreement between the SME Governmental Bodies sets the foundation for shared efforts in Internationalisation and Global Value Chain Integration, fostering an era of SME Growth and International Market Development. I strongly believe that this strategic commitment is key to unlocking the untapped potential of our region. By leveraging our collective strengths, we can drive SME internationalization and enable integration into global value chains, thereby opening new pathways for cross-border trade, innovation, and investment.

This collaboration is not just about economic growth, but it also is about positioning our SMEs as global players, capable of competing in high-value international markets. I firmly believe that this strategic partnership will unlock the immense, yet untapped potential of our region, transforming the D8 into a hub of innovation, competitiveness, and sustainable development.

In this era of globalization and digital commerce, where trade patterns are shifting rapidly and modern technologies are reshaping international supremacy, joining hands is a necessity, and the D8 framework provides the opportunity to jointly mobilize innovation and Industrial development in the region.

Let me also share that Pakistan's SME sectors hold immense potential for investment and trade development. Our strengths extend across diverse industries such as textiles and apparel, leather and sports goods, surgical instruments, information technology, light

engineering, agro-based products, and food processing. These sectors are not only globally recognized for their quality and competitiveness but also offer significant opportunities for joint ventures, technology transfer, and value chain integration. By channelling investments into these areas, we can unlock new avenues of growth and create mutually beneficial trade partnerships within the D8 community and beyond.

Through the D8 SME collaboration agreement, we aim to scale up SMEs, promote B2B connections, build SME partnerships, share knowledge and support sustainable and green development. This partnership is not only about exchanging information, it is about building collective strength, creating dignified employment and developing new economic frontiers.

I assure you, Pakistan, through SMEDA/ MoIP, stands ready to actualize this agreement. Our goal is to make D8 SMEs globally competitive and regionally integrated through joint programs and initiatives.

SMEDA under the vision of the Honorable Prime Minister of Pakistan, is deeply committed to transforming SMEs into drivers of growth and exports.

Pakistan stands committed as a bridge within the D8 community, fostering economic diplomacy, unlocking shared opportunities, and positioning our SMEs as engines of inclusive growth across the region.

The challenges we face today, from supply chain disruptions and energy transitions to climate adaptation and global competition, demand regional solidarity and joint action.

Ladies and Gentlemen, Let us use this opportunity to transform our collective strengths into a new economic reality where our SMEs become the frontline of innovation, competitiveness, and sustainable development globally.

On behalf of the Government of Pakistan, I extend my sincere appreciation to our D8 partners, the D8 Secretariat, the Ministry of Industries & Production and SMEDA Pakistan for making today's event possible.

Let us seize this moment with vision, unity, and determination. The path we chart today will define the future of SMEs in our region and, indeed, the economic trajectory of the D8 as a whole.

Together, we are stronger. Together, we will prosper.

Programme for the 8th Meeting of the D-8 SME Governmental Bodies
Hosted by the Small and Medium Enterprises Development Authority of the Islamic
Republic of Pakistan

Virtual, 10 September 2025
Time 10:00 AM Istanbul Time (GMT +3)

10:00 - 10:10	Opening and Welcome Statement by the Small and Medium Enterprises Development Authority of the Islamic Republic of Pakistan.
10:10 - 10:15	Adoption of Agenda.
10:15 - 10:30	Statement by Ambassador Isiaka Abdulqadir Imam, the D-8 Secretary-General.
10:30 – 11:05	Statements /Country Reports/ Presentations on SME Development by Heads of SME Bodies from Member States (5 Minutes each).
11:05 – 11:30	Discussion on Operationalization of the Memorandum of Understanding (MoU) between SME Governmental Bodies of D-8 Members.
11:30 – 12:00	Introduction of the D-8 SME Center in Abuja, Nigeria. Discussions on Operationalization of the SME Centre.
12:00 – 12:30	Discussion and Deliberation on New Project Proposal for the SME Centre, Abuja, Nigeria.
12:30 – 12:40	Any Other Business/ Proposals/ Ideas/ Discussion Points
12:40 – 12:50	Date and Venue of the Next Meeting
12:50 – 13:00	Closing

**Statement by H.E. Ambassador Isiaka Abdulqadir Imam,
Secretary-General of the D-8, at the Virtual 8th Meeting of
D-8 SME Governmental Bodies, 10 September 2025**

H.E. **Mr. Saif Anjum**, Federal Secretary, Ministry of Industries and Production of the Islamic Republic of Pakistan

Honourable Chairman, **Mr. Socrat Aman Rana**, the Chief Executive Officer of Small and Medium Enterprises Development Authority of the Islamic Republic of Pakistan, (SMEDA),

Representatives of SME Governing Bodies of D-8 Member States,

Distinguished Participants,

Ladies and Gentlemen,

I welcome you all to this 8th meeting of the D-8 Small and Medium Enterprises (SME) Governmental Bodies, hosted by the Small and Medium Enterprises Development Authority (SMEDA) of Pakistan.

Before I proceed, let me thank SMEDA of Pakistan, for hosting this meeting. This is in line with the recommendation, made by the

representative of Pakistan, at the inauguration of the D8 SME Centre in Abuja last June, where he proposed regular meetings of this Body, to strengthen cooperation in SME development, in our organization.

Also, I would like to thank the heads of SME bodies and delegates from the Member States, for attending this meeting. It is a great delight meeting, some of you again, after the historic inauguration of the D-8 SME Centre in Abuja, Nigeria, last June.

Permit me to also welcome the newest member of our family, the Republic of Azerbaijan. We look forward to her active contributions and participation, in the years ahead.

Mr. Chairman, Distinguished Participants,

As you are all aware, SMEs are central to the growth of the global economy. They play a key role in the development of small businesses, which according to available statistics, account for more than 90% of companies in emerging economies, including our

member countries. In addition to that, they also constitute the primary sources of employment, as well as generation of significant domestic export earnings, for sustainable economic growth. Furthermore, in the D-8, SMEs contribute between 35% and 60% of GDP and 60% to 80%, of total employment. Therefore, we must work together, to deepen our cooperation, in this sector, so as to enable us attain the desired result, in our intra-trade figures.

Mr. Chairman, Distinguished Participants,

I wish to state that the Governmental Bodies of the D8 Member Countries is an appropriate instrument, for the development of the SMEs, in our organization. As you would recall, this instrument was established, following the decision of the fifth D-8 Working Group on Industrial Cooperation, held in Tehran, Iran, on 28 February 2010.

Since then, seven meetings of the D-8 SME Governmental Bodies have been held. The first took place in Tehran in 2010, followed by Istanbul in 2011, Abuja in 2012, Dhaka in 2012, Abuja in 2014,

Tehran in 2015, and Cairo in 2016. No doubt, these meetings have recorded tangible outcomes, which have further strengthened the D-8 SME cooperation.

For instance, through these meetings, we have achieved the following key notable outcomes, amongst others:

- We successfully organized an SME Financing Model Workshop in, Tehran in 2015.
- We also organized a Cluster Development Training session in, Tehran, in 2015.
- D-8 Workshop on Microfinance for Micro, Small and Medium Enterprises, was held in Abuja on 15 August 2013.
- The First D-8 Forum on Small and Medium Enterprises and Health Market was held in Abuja, October 2022; and most recently
- The D-8 SME Center, hosted by the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), was launched in June, 2025.

However, we can —**and must**— do more to strengthen the SME development, in our member countries, in order to benefit maximally from the D-8 Preferential Trade Agreement. Empirical evidence, from

studies conducted by the international monetary bodies, indicates that reducing trade barriers, through PTAs, benefits SMEs in developing economies, amplifying their role in inclusive economic growth, job creation, and industrial development.

Furthermore, it is important that the meeting of the SME Governmental Bodies be revitalized. As the policy maker in SMEs development cooperation, the body needs to meet more regularly. Therefore, I propose that the Body considers meeting, at least, twice a year, in order to fast-track the development of our SME cooperation. In light of this, I welcome the establishment of the WhatsApp Group, comprising senior officials from the Member States, and look forward to its early operationalization.

Mr. Chairman, Distinguished Participants,

Today, we will discuss three main areas. **Firstly**, we will discuss how to effectively implement the Memorandum of Understanding (MOU), between D8 SME Governmental Bodies, signed in 2015. I strongly

believe that there is need for a review of the MOU, to enable us meet current trends in SMEs development, globally.

Secondly, we will discuss how to support the operationalization of the D-8 SME Center. At this juncture, let me, once again, use this opportunity to express our appreciation to the Government of Nigeria for hosting the D-8 SME Center in Abuja, and for its successful inauguration.

I implore Member States to put forward, practical proposals on the operationalization of the D-8 SME Center. We must drive the Center into a dynamic platform that will further strengthen our SMEs collaboration, enhance trade and investment opportunities, as well as, unlock the full potential of our entrepreneurs. We must work together to ensure that the objective, for which the center was set up is achieved.

Thirdly, I also would like to encourage Member States to propose concrete projects, and programs, that will position our SMEs to benefit from the D-8 PTA. Your suggestions will be vital, in transforming our SME cooperation, including the D-8 SME Center, to drive the trade facilitation, and shared prosperity, across our member states.

To conclude, **Mr. Chairman, Distinguished Participants**, once again, I thank SMEDA of Pakistan, for hosting this meeting. I wish you all a fruitful deliberation. My team, and I, are at your disposal to facilitate the discussion.

I thank you for your kind attention.



Small and Medium Business
Development Agency of
the Republic of Azerbaijan

Supporting MSMEs: Best Practices

**SMALL AND MEDIUM BUSINESS DEVELOPMENT
AGENCY (KOBIA) OF THE REPUBLIC OF
AZERBAIJAN**

Mission

- To ensure a variety of support mechanisms and entrepreneurs' access to them
- To coordinate the activities implemented by public and private entities
- To establish favorable business environment for development of entrepreneurship in the country's regions and attract domestic and foreign investments
- To expand opportunities for access foreign markets

Vision

- To increase the contribution and share of SMEs in the national economy
- To boost SMEs contribution to GDP and employment
- To increase SMEs competitiveness
- To present SMEs with broader opportunities to access financial resources

Goal

To enhance the business environment
To provide support and resources
To promote innovation and technology
To foster regional development

Classification of Micro, Small, Medium and Large Enterprises



Small and Medium Business
Development Agency of
the Republic of Azerbaijan

Categories by size of business entities	Average number of employees (persons)	Annual income (ai) (USD)
Micro	1 - 10	$ai \leq 117,650$
Small	11 - 50	$117,650 < ai \leq 1.8 \text{ mln}$
Medium	51 - 250	$1.8 \text{ mln} < ai \leq 17.6 \text{ mln}$
Large	251 and above	$ai > 17.6 \text{ mln}$

IMPROVING SERVICE INFRASTRUCTURE FOR SMEs - SME HOUSES



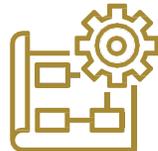
Small and Medium Business
Development Agency of
the Republic of Azerbaijan

Planning a business



- Business plan drafting
- Work with startups
- Capacity building
- Incubation

Running a business



- Preparation of reports
- Logistics
- Contracts
- Translation
- Bank services

Starting a business



- Registration
- Licenses and permits
- Seals
- Banking, legal, insurance

Growing a business



- Financing
- Export promotion
- Investment promotion
- Domestic market research

**SME
Houses**
are one-stop-shops
providing businesses
G2B and B2B services
in operative, transparent
and comfortable
manner.

SME HOUSES



Small and Medium Business
Development Agency of
the Republic of Azerbaijan



Baku SME House

35

*Government
and **12**
private bodies*

More than

400

Services



Yevlakh SME House

14

*Government
and **3** private
bodies*

More than

215

Services



Khachmaz SME House

15

*Government
and **5** private
bodies*

More than

210

Services

Current Situation

New SME Houses

Activity Coordination

Challenges



Ganja SME House

Service desks: 35



Shusha State Services Center

Service desks: 16



Food City Service Center

Service desks: 22

It has been operational since August 2024.

Service desks

- 12 - Ministry of Economy
- 5 - Ministry of Digital Development and Transport
- 1 - Ministry of Ecology and Natural Resources
- 2 - Ministry of Emergency Situations
- 2 - Ministry of Agriculture
- 2 - State Customs Committee
- 2 - Food Safety Agency
- 3 - Utility Services (electricity, gas, water)
- 1 - Local Executive Authority
- 5 - B2B Services (consulting, postal, insurance, banking, translation, etc.)

- 5 - Ministry of Economy
- 1 - State Advertising Agency
- 4 - Utility Services (electricity, gas, water)
- 1 - Food Safety Agency
- 1 - Local Executive Authority
- 4 - B2B Services (consulting, postal, insurance, banking, translation, etc.)

- 4 - Ministry of Economy
- 5 - Food Safety Agency
- 5 - State Customs Committee
- 2 - Ministry of Agriculture
- 5 - B2B Services (consulting, postal, insurance, banking, translation, etc.)

SME DEVELOPMENT CENTERS

- Training and advisory services
- Capacity building for current and potential entrepreneurs
 - ❑ Business planning
 - ❑ Business development
 - ❑ Marketing
 - ❑ Sales
 - ❑ Business legislation
 - ❑ Financial management
 - ❑ Human resources management, etc.
- Online training platform - www.kobim.az



46 700
hours of
consulting
services

More than
3 275
trainings

1450
Business
plans
prepared

44 200
SMEs and
startups
benefited

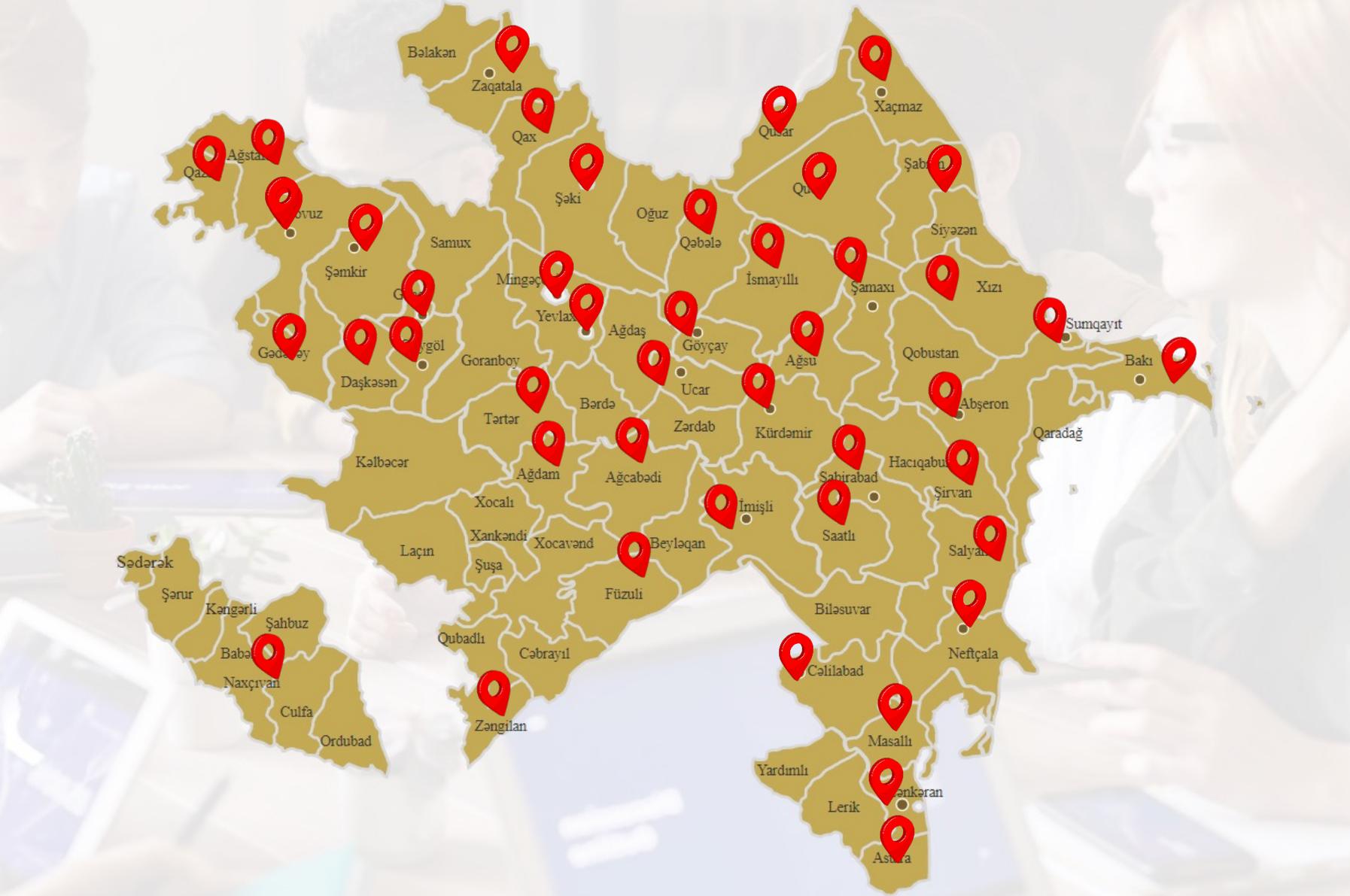
SME FRIENDS NETWORK



Small and Medium Business
Development Agency of
the Republic of Azerbaijan

54
offices in
52
cities and regions

- Support in establishing new SMEs' or expansion of existing ones
- Protection of SMEs' rights
- Surveys and monitoring



SME SUPPORT MECHANISMS

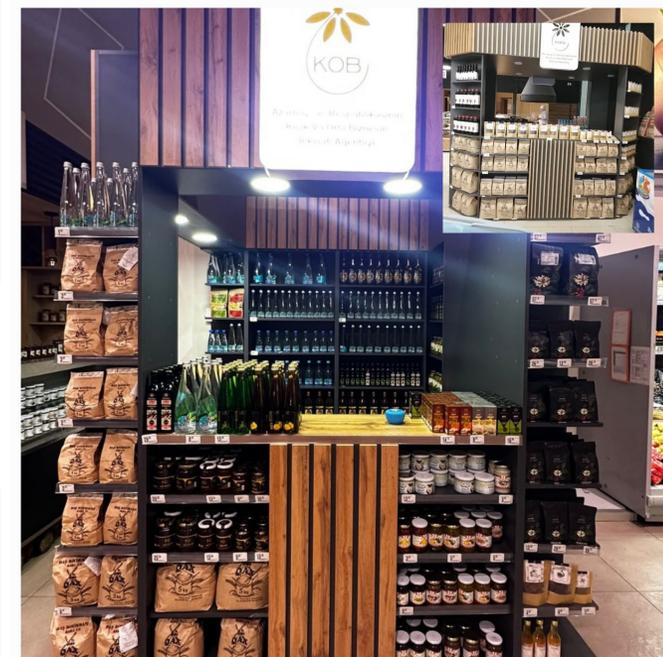
GRANT PROGRAMS

129
Projects financed
Grant amount 20 000
azn (\approx 12 000 usd)



MARKET RESEARCH

50
market researches in
the field of food
production, textile,
machinery, industry
etc.



START-UP CERTIFICATES

215
Applicants granted
start up certificates



MARKET ACCESS

Co-financing of access
of SMEs to shelf
space in the large
retail chains
throughout the
country

SME SUPPORT MECHANISMS – INVESTMENT PROMOTION DOCUMENT



Small and Medium Business
Development Agency of
the Republic of Azerbaijan

PURPOSE

Tax and customs incentives for strategic investment projects



IMPACT

Over 588 projects benefited.
Recent projects: Saudi Arabia's ACWA Power's 240 MW renewable energy project (245 mln. USD) investment, 45 jobs)

BENEFITS

50% exemption on profit/income tax, property/land tax, and VAT/customs duty for 7 years



APPLICATION

Entrepreneurs can apply via the Ministry of Economy or SME Houses

ACCESS TO INTERNATIONAL MARKETS

KOBIA supports SMEs in accessing foreign markets, facilitating the participation of over 1300 micro and small businesses in 51 international exhibitions:

- ❖ International Food and Beverages Exhibition (Antalya, Republic of Türkiye)
- ❖ Istanbul Fashion Connection (Istanbul, Republic of Türkiye)
- ❖ International Trade and Industrial Exhibition (Makkah, Kingdom of Saudi Arabia)
- ❖ The "Makkah Halal Forum" (Makkah, Kingdom of Saudi Arabia)
- ❖ The "Gulfood 2024" International Food Exhibition (Dubai, United Arab Emirates)
- ❖ The "Russia Halal Expo 2024" (Kazan, Russian Federation)
- ❖ Jeddah International Agriculture and Food Exhibition (Jeddah, Kingdom of Saudi Arabia)
- ❖ Halal Expo 2023 (Istanbul, Republic of Türkiye)
- ❖ The "47th Baghdad International Fair" (Baghdad, Republic of Iraq)
- ❖ The "Saudi Food Show 2024" (Riyadh, Kingdom of Saudi Arabia)



ACTIVITIES IN LIBERATED AREAS



Over **3,000** applications received, including **503** from foreign businesses;



Organization of entrepreneurial activities, support for attracting local and foreign investments, and facilitation of international events;



Support is provided for social entrepreneurship initiatives;



Support includes access to public services, training and consulting services, as well as concessional financial resources;



Three companies have already commenced operations in the region, specializing in medical textile production, souvenir manufacturing, and bakery services;



Thirteen companies, including national banks and a SOCAR gas station, have opened branch offices in Shusha, and several production facilities have been established in the region.



INTERNATIONAL COOPERATION



Small and Medium Business
Development Agency of
the Republic of Azerbaijan

KOBIA actively fosters the international integration of Azerbaijani SMEs by collaborating with nearly **200 institutions from over 70 countries**. Through partnerships, innovative initiatives, and global representation, KOBIA supports SME growth and international competitiveness.

Memberships and Global Recognition

International Council for Small Business (ICSB)

SME Finance Forum

International Network for SMEs (INSME)



Bilateral and Multilateral Cooperation

Business Councils: Qatar, Saudi Arabia, Ukraine, and Iraq.

Legal Framework: Signed over **112 Memorandum of Understanding**.

Achievements in Global Rankings and Standards

EU Business Environment Report 2021: KOBIA ranked among the **top five institutions** for reform effectiveness in Azerbaijan.

SME Policy Index-2024: Azerbaijan's position improved in 9 out of 12 indicators compared to the 2020 evaluation report.

OECD Recognition: The OECD has recognized Azerbaijan's **SME House model** as a leading innovative practice for SME support.



OECD report on Single support service model for SMEs (SME House).

SUPPORTING GREEN TRANSITION OF SMEs



Small and Medium Business
Development Agency of
the Republic of Azerbaijan

COP29 Hosted by Azerbaijan

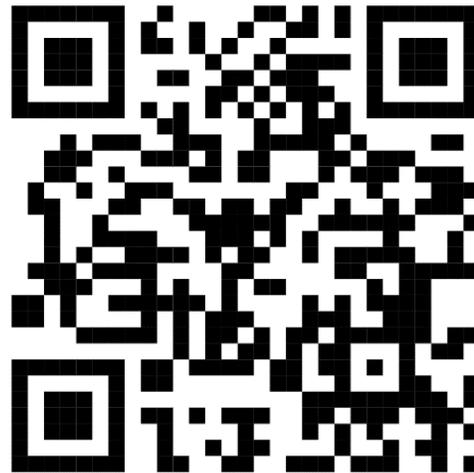
Nearly **80,000** registrations
from 190 countries.



Letter to Parties signed by
H.E. Mukhtar Babayev
COP29 President-Designate
Minister of Ecology and
Natural Resources,
Republic of Azerbaijan

Baku Climate Coalition for SMEs Green Transition

Declaration: Developed under
COP29, this initiative aims to
support SMEs in their green
transition. The Declaration is
endorsed by the International
Trade Center, Brazil's SEBRAE,
and the UN Office for South-
South Cooperation
www.greensme.org



Joint Declaration on Baku
Climate Coalition for SMEs
Green Transition

Initiatives by KOBIA

**A unified ESG platform
(ESGHUB):** acts as a hub for
ESG-related information,
foreign investment attraction,
professional services, and
expert guidance

UN Global Compact Membership

KOBIA's commitment to
sustainable development and
alignment with the **UN
Sustainable Development
Goals (SDGs)** is reinforced
through its participation in the
UN Global Compact initiative

SME Green Resource Centers

KOBIA is establishing these
centers to provide tailored
solutions for SMEs, addressing
country-specific challenges. By
integrating international best
practices, the centers aim to
facilitate the transition of
Azerbaijani SMEs to sustainable
economic models

Green Standards

- Adoption of the Green Business Management Standard, introducing the definition of green businesses in Azerbaijan for the first time.
- Development of a national ESG standard, emphasizing sustainable practices for SMEs

THANK YOU!

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Country Presentation Pakistan

Developing 8

September 2025



کاروبار آسان، خوشحال پاکستان



Economic Profile of Pakistan (2024-25)



GDP **\$411.00 Billion**

Population **241 Million**

Per Capita Income **US\$ 1,824**

Exports **US\$ 27.3 Billion (Jul – Apr)**

Imports **US\$ 48.6 Billion (Jul – Apr)**

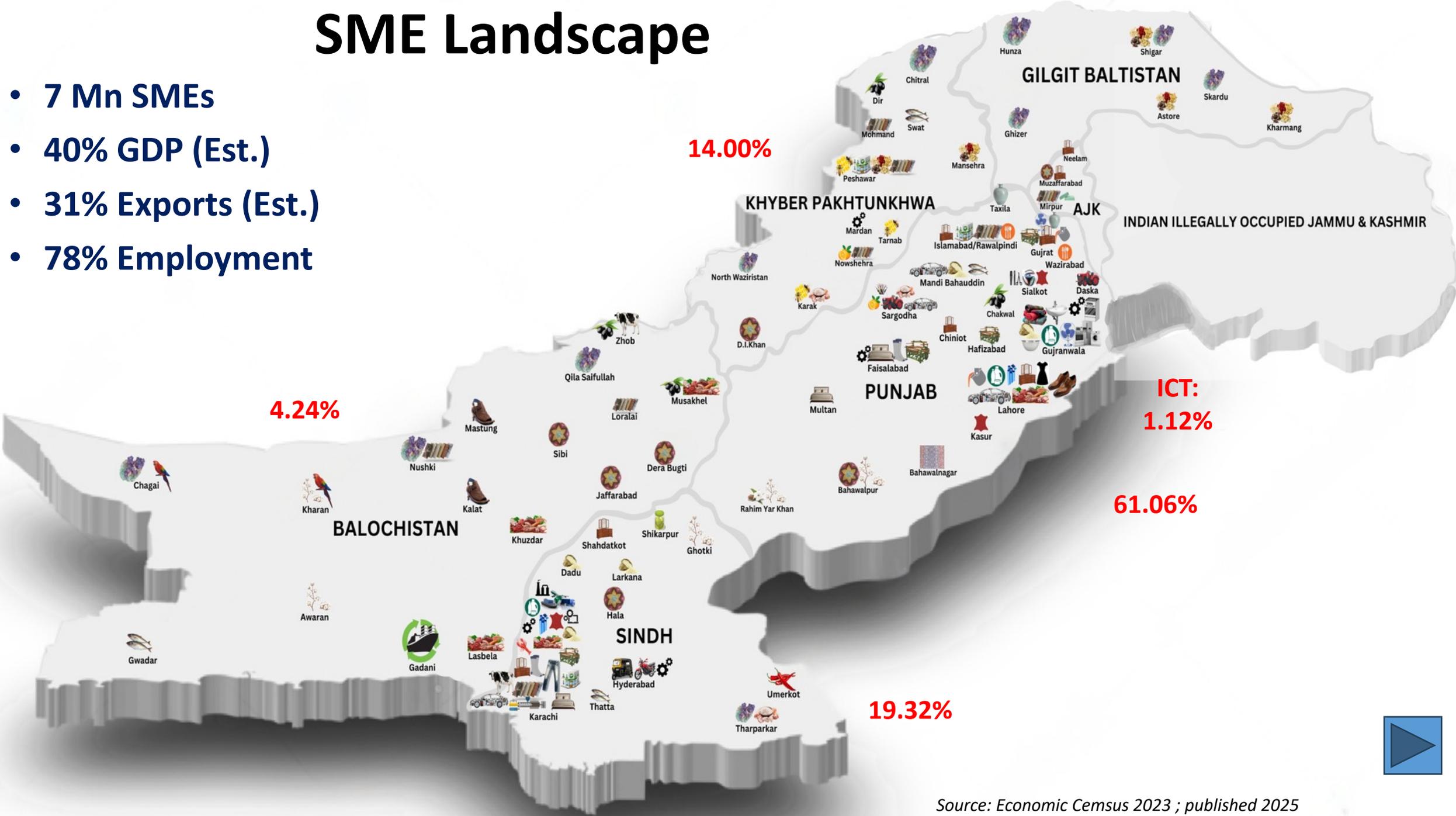
FDI **US\$ 1.7 Billion (Jul – Apr)**

Contribution by Sector (2024-25 P)

Ind.(18.07%), Agri. (23.54%) & Ser. (58.39%)

SME Landscape

- 7 Mn SMEs
- 40% GDP (Est.)
- 31% Exports (Est.)
- 78% Employment



Why Pakistan

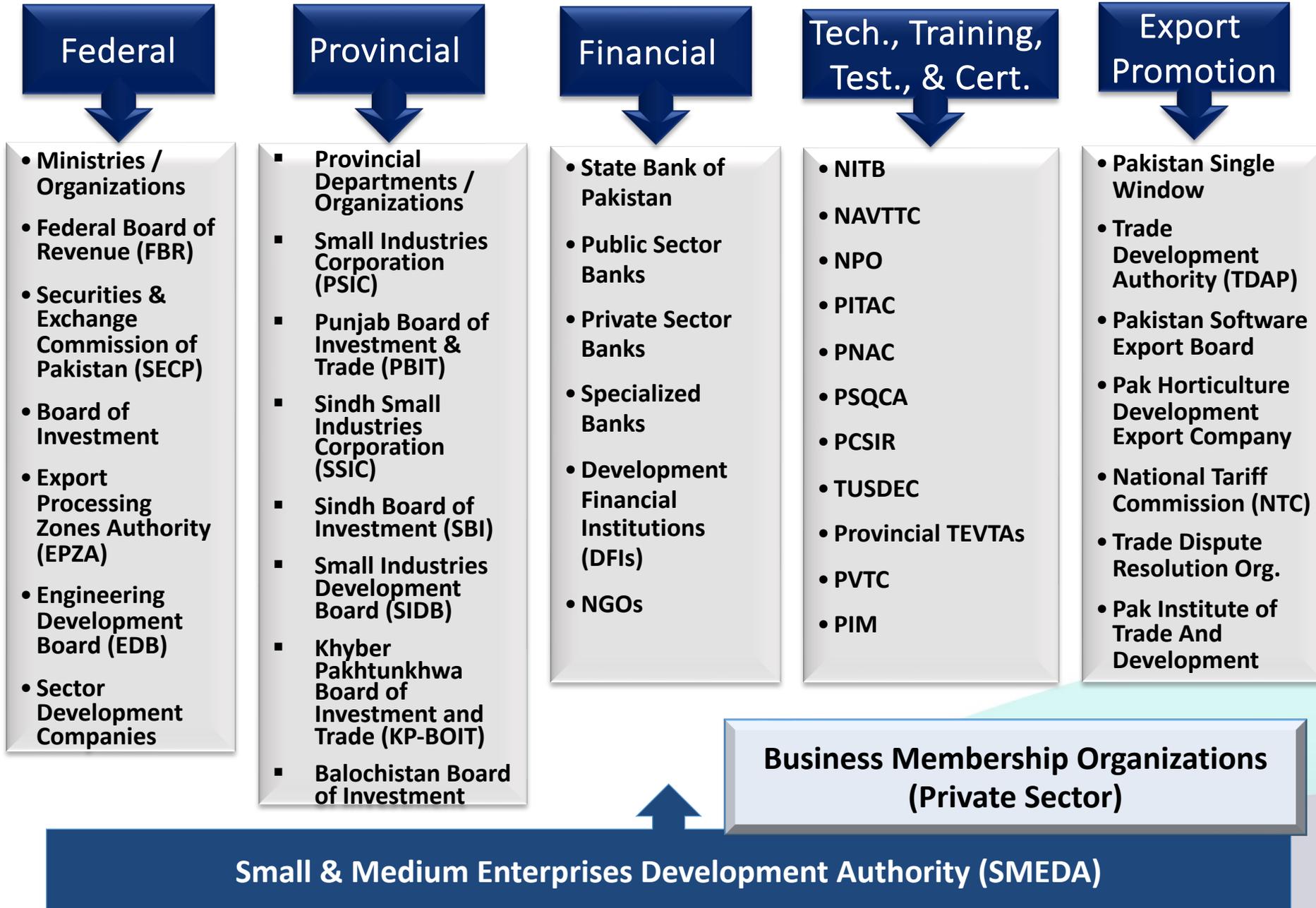


- **Geo Strategic Location**
 - Trade & Transit Route
- **Vibrant, Young & Skilled Workforce**
 - 64% population <30 yrs
- **Enormous Potential**
 - 9.1Mn hct available for Ag & 22.4Mn hct rangeland for livestock
 - \$6.1 Trillion net est. mineral reserves
- **Network of Economic & Tech Zones**
 - Robust investment offerings
- **Liberal Investment regime**
 - Equal treatment
 - Foreign Equity 100%
- **Modernized Infrastructure Landscape**
 - 1000+ KM coastal line
 - Network of Roads, Railways & Deep seaport

Key SME Sectors



Business Support Organizations



SME Development Initiatives by Govt. of Pakistan



Regulatory & Trade Reforms

Pakistan Regulatory Modernisation Initiative (PRMI)

Regulatory Guillotine

Incorporation of companies simplified by SECP

- 200,000 + incorporated
- 99.9% of incorporations and filings are digital.

PSW - UN trade facilitation score rose from 57% to 71%

Trade Information Portal (TIPP/Tradeverse)

Entrepreneurship/ Incubation

Ignite's National Incubation Centers (NICs) - 1,300+ startups, graduated 660+

HEC Business Incubation Centers (BICs)

Startup Punjab Platform

Pakistan Startup Fund (PSF) – Equity free capital

BridgeStart Pakistan - *Rs 5 million per startup*

Access to Finance & Credit Guarantee

Prime Minister's Youth Business & Agriculture Loans (PMYB&ALS)

SME Risk-Coverage Scheme

National Credit Guarantee Company Limited

Green Financing Guarantee (2025) - **Rs 10 billion** in green financing guarantees

5 digital banks granted in-principle approvals/NOC

Investment Facilitation

One Window Facilitation – (SIFC)

Special Economic Zones (SEZ)

Export Processing Zones (EPZs)

Special Technology Zones Authority (STZA)

Invest Pakistan Project

Gwadar Free Trade Zone

About SMEDA

“Autonomous Body” established in 1998, governed under SMEDA Ordinance, 2002



- Facilitate Policy-making & overall planning
- Protect interests of SMEs
- Identify research parameters and priorities
- Conduct professional overall monitoring & evaluation
- Advise Federal Government for allocation of funds
- Act as resource base for providing expertise, information & statistics
- Provide, arrange and facilitate support services
- **Initiate, take, continue, implement & perform any & all activities for encouraging and facilitating growth & development of SMEs**





National SME Policy Framework

- National Coordination Committee on SME Development (NCC)
- Provincial Working Groups

Women Entrepreneurship Development
 WE Policy & Action Plan for Cabinet approval



SME Definition
 SMEDA, SBP and SECP Aligned



Access to Finance

- SME Asaan Finance (SAAF) Scheme
 - No. of Borrowers = 12,421
 - Disbursed = PKR. 60 Billion



Regulatory & Tax Environment
 Reforms Implemented = 167
 Introduced Specialized Taxation Regime in ITO 2001



Skills & Human Resource
 Skills Mapping & Training programs
 Soft Skills Training as part of TVET




Infrastructure
 Identified 4,200 acres; more than 19,500 plots for SMEs



Entre., Innov. & Incubation

- Entrepreneurship Course in National Curriculum
- National Ideas Lab with HEC



Business Development Services
 Grants Support – 522 Beneficiaries
 BDSP Network Strengthening – 820+



Market Access

- Public Procurement Rules simplified
- TDAP B2B Portal: 3,500 Cos Registered





SMEDA's PSDP Project Portfolio

Catalyzing SME Development through;

- Demonstration of new technologies
- Business Development Support Services

Common Facility Centers for:

- Proto-type Product Development
- Design facilities
- Training Services
- Market Linkages
- Business Incubation

36
PROJECTS
worth PKR 8.154 BILLION

Projects planned in close consultation with private sector (Chambers / Associations)

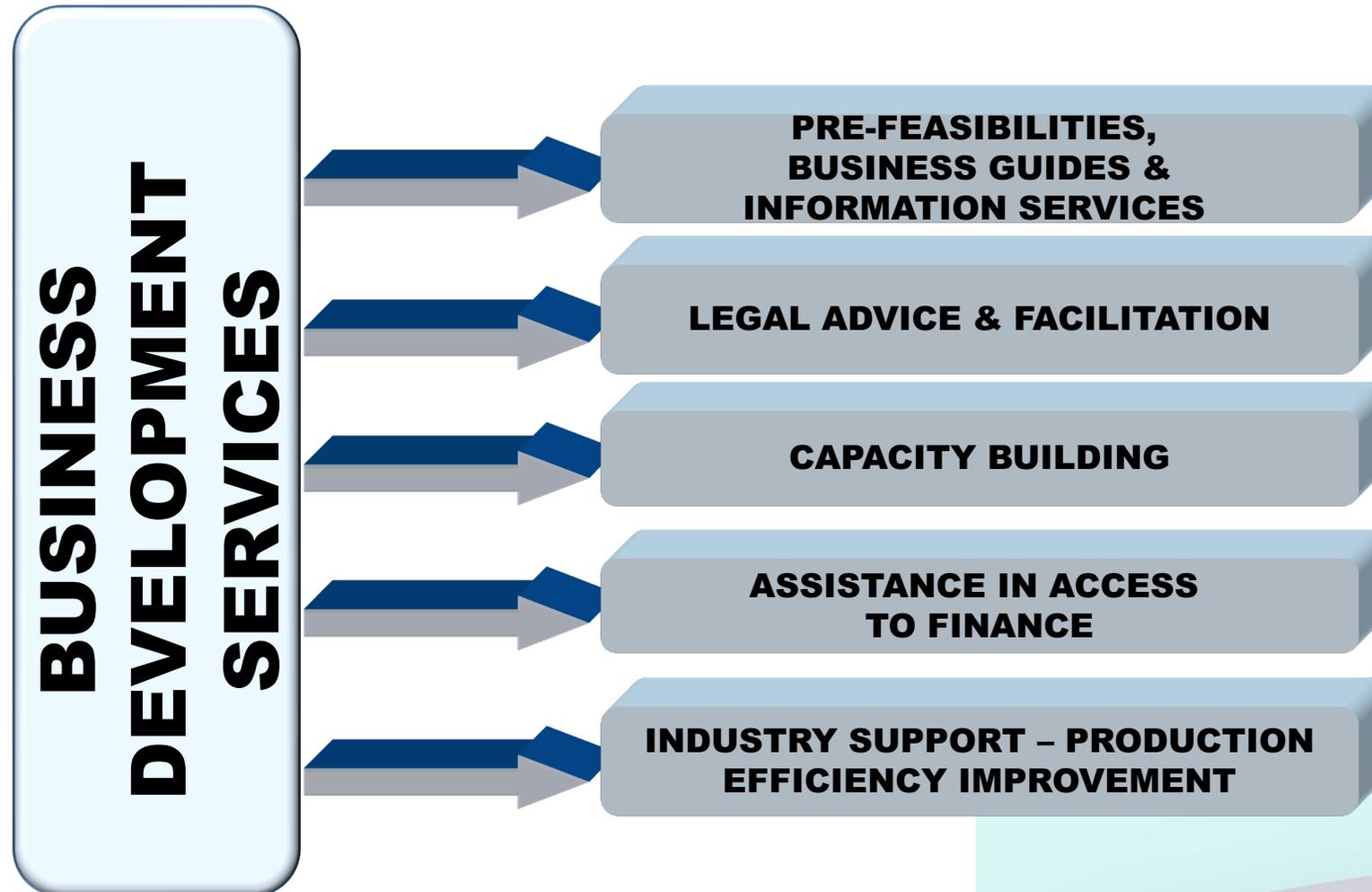
SMEDA's PSDP Projects

Success Stories



	Facilitation	Outcome/ Impact	
<p>1000 Industrial Stitching Units</p>	<ul style="list-style-type: none"> • Value addition in the field of Textile Sector • Matching Grant 60:40 ratio for establishing 150 Industrial Stitching Unit 	<ul style="list-style-type: none"> • 93 Industrial Stitching Units have been established 	
<p>Sialkot Business & Commerce Center</p>	<ul style="list-style-type: none"> • Provision of business infrastructure facility for exporters especially SMEs • strengthen partnership between local industry 	<ul style="list-style-type: none"> • Exhibition halls • Business Incubation Offices • Business Facilitation Center • A Conventional Hall capacity 350 people for holding national/international conferences/ seminars 	
<p>National Business Development Plan for SMEs</p>	<ul style="list-style-type: none"> • Supporting potential and existing SMEs in building their capacities and facilitating growth 	<ul style="list-style-type: none"> • SME Business Helpline • 65,000 SMEs facilitated through walk-in, helpdesks and helpline • 903 training programs conducted, 35,192 SME benefited 	

Categories of SMEDA Services





Industry Support Program

(Productivity and Energy Efficiency)

	Facilitation	Outcome/ Impact		
<p style="text-align: center; color: white;">Energy Efficiency</p>	<ul style="list-style-type: none"> • Lighting System • Cooling System • Boiler & Steam System • Motors & Pumps • Compressed Air System • Generator 	<ul style="list-style-type: none"> • Energy Saved - 150 million kWh / annum (15 MW / annum) • Reduction in CO₂ Emission - 72,000 Metric Ton / annum 	<p>Foreign Experts Engaged – 60+ Total Companies Facilitated 655+ Examples -></p>	
<p style="text-align: center; color: white;">Productivity and Quality</p>	<ul style="list-style-type: none"> • Layout Improvement • Overall Equipment Efficiency • Travel Distance • Labour Efficiency • Reduction in Rejection 	<ul style="list-style-type: none"> • Process Time Reduced • Rejection Rate Reduced • Labour Properly Utilized • Overall Productivity and Quality Improved 	<p>Best Practices Guidelines</p>	<p>16 Guidelines/ Reports</p>
<p style="text-align: center; color: white;">Best Practices Guidelines</p>	<ul style="list-style-type: none"> • EE for Textile Sector • Package for EE in Industrial Sectors based on Japanese Best Practices • ESCO Manual – Energy Auditing Guidelines for Energy Service Providers • Manual for Consulting Services – Auto Parts Suppliers 			

SMEDA Renewed Focus

Renewed Focus Areas



Enhancing SMEs Access to Finance

Making SMEs Bankable



Financial Literacy
Program

SME Credit Scoring
Model

Cluster Based
Lending Potential

Tech. & Financial
Assistance

Boosting Exports

Export Assistance Program for SMEs

1

Cluster Identification with export potential on parameters incl. local endowment, value addition possibility, export orientation etc.

2

Export Readiness Assessment Scoring on factors, such as:

- Scale of operations
- Production tech. / process
- Product profile

3,000 SMEs Assessed

3

Business Development Service Providers
Identified and engaged to extend customized advisory and support

4

Capacity Development of Selected firms on areas such as;
Markets, compliance requirements, market entry strategies, financing export orders, logistics etc.

1,500 SMEs Trained

5

Expert Assistance & handholding support to improve Technology, Production process, standardization & quality assurance etc.

1,500 SMEs Supported

6

Performance based Financial Support for
participating SMEs successfully executing export orders in order to offset initial investment associated risks
PKR. 2.50 M to 950 SME Exporters each.

SME Subcontracting – Vendor Development & upgrading



Study on Legal Framework

Profiling & benchmarking

Vendor Development Program



Gender Empowerment- Fostering Women Entrepreneurship Development



Women Entrepreneurship Policy & Action Plan

WE SEGMENTS

- ◆ Agri WE
- ◆ Rural Self-Employed
- ◆ Rural Small Business
- ◆ Urban Small Business
- ◆ Urban Self-Employed
- ◆ Medium Employer

KEY PROGRAMS



WE M4D

Digital channel to register, train, & disseminate information and business skills training incl. digital & financial.



Womenpreneurship Platform

AI-powered platform connecting WEs to funding, incubation, mentorship, and market resources



WE Accelerate

Equipping WEs with essential skills & tools to start and grow businesses through targeted training and capacity-building.

OUTPUTS

10,000

WEs reached for information provision

10,000

Registered users with service-oriented common digital platform

3,000

Women trained per year

Climate Resilience

Insulating SMEs from Climate Impact



Bananas in Pakistan's Bio-economy : Transforming Waste into Textile

GEF USD 3.7 Million

Statistics

- 86,500 acres
- 93% Production in Sindh
- 35,000 Tons waste annually

Project Activities

- Pilot Projects
- Technology transfer
- Training & Capacity
- Int. linkage & Certifications

Product Development

- Fashion Textiles
- Handicrafts
- Bags & Packaging
- Cotton blended products



Micro Enterprises- Long term financial capability



➤ SME Definition has been revised:

Enterprise Category*	Annual Sales Turnover
Small Enterprise (SE) <ul style="list-style-type: none">• Micro Enterprise• Above Micro Enterprise	<ul style="list-style-type: none">• Up to PKR 30 Million• PKR 30 Million to 150 Million
Medium Enterprise (ME)	Above PKR 150 Million to PKR 800 Million
Start-up	A small enterprise or medium enterprise up to 5 years old will be considered as Start-up SE or Start-up ME

**An independent, for-profit, privately owned enterprise*

- Supporting financial inclusion through Customized training materials & Tools
- Programs in collaboration with Micro sector support organizations
- Awareness and Capacity Building of Micro Enterprises



Thank You



SME Definition



Enterprise Category*	Annual Sales Turnover
Small Enterprise (SE) <ul style="list-style-type: none">• Micro Enterprise• Above Micro Enterprise	<ul style="list-style-type: none">• Up to PKR 30 Million (USD 105,000)• PKR 30 Million to 150 Million (USD 530,000)
Medium Enterprise (ME)	Above PKR 150 Million to PKR 800 Million (up to USD 2.82 Million)
Start-up	A small enterprise or medium enterprise up to 5 years old will be considered as Start-up SE or Start-up ME

**An independent, for-profit, privately owned enterprise*

