



## Accelerate Prosperity in Central and South Asia (AP-ASIA)

Duration	Budget	Location	Implementing Partners
January 2020 – December 2023	€10 million	Pakistan, Afghanistan, Tajikistan and the Kyrgyz Republic	Aga Khan Foundation

The EU is actively encouraging regional cooperation in Central and South Asia and is working across the regions to support integration of the poor by enhancing opportunities for economic growth and sustainable livelihoods. This support also includes empowering women and the youth, supporting in efforts for economic diversification, reducing social and economic inequality between households and communities, and increasing income generating activities.

### The challenge

Across the region, job creation is a priority for governments to foster socio-economic stability and Small and Medium Enterprises (SMEs) are seen as vital players in driving regional growth. However, barriers to launching and growing an enterprise persist in the Central and South Asia region. Entrepreneurs face tough regulations, insecurity, under-resourced government programmes, and expensive financing. This hampers regional trade and progress in tackling the low participation of women in business and youth unemployment.

### How do we address the challenge?

The EU's unique intervention through Accelerate Prosperity in Central and South Asia (AP Asia) aims to harness the power of SMEs to tackle these challenges. Through its investments, 50% of which will be towards women or youth-led businesses, SMEs with unique and impactful ideas will be made both investment and trade-ready. Activities will be tailored towards start-ups and existing enterprises, including incubation and acceleration programmes, mentorship and technical assistance.

AP Asia will also leverage critical private sector financing and enhance business-to-business (B2B) linkages for trade across the region. With a good market intelligence, a wide range of sectors will be targeted including agribusiness, crafts and apparel, hospitality, as well as technology savvy firms. Through AP Asia, the EU will empower high potential entrepreneurs and equip them with the appropriate tools to grow their businesses, access investment and help multiply economic opportunities for the region.

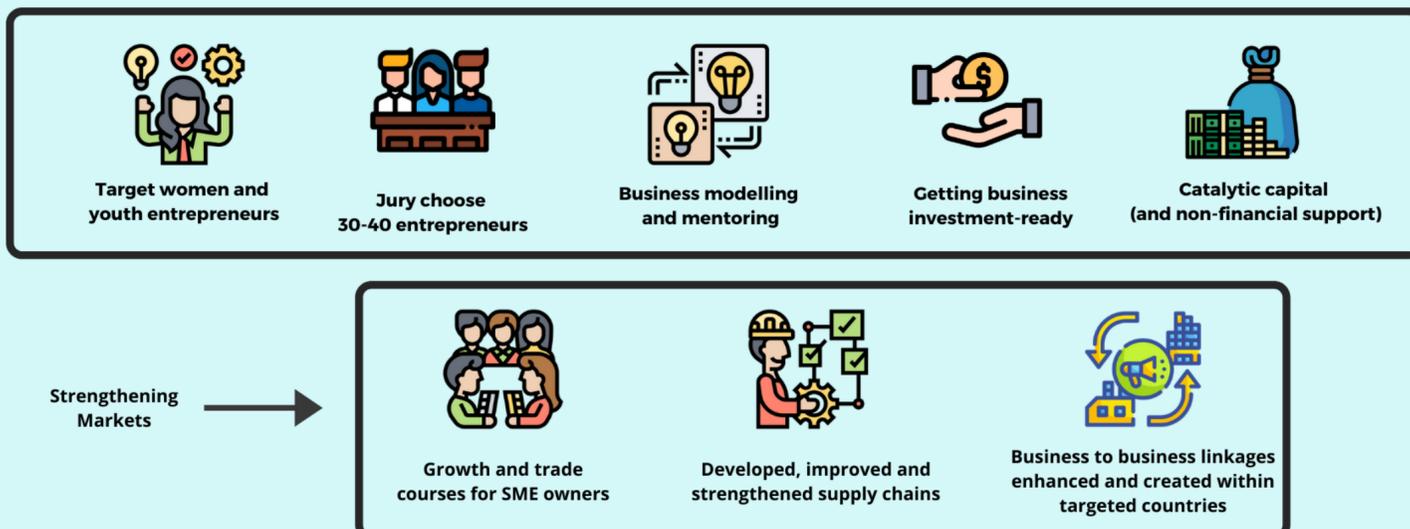
### What do we do?

In each country, AP Asia will be implemented in two phases. Phase one represents the AP Model that will be replicated in each of the four countries, to help address some of the constraints faced by startups. In parallel, growth-oriented SMEs will benefit from a business acceleration programme. The second phase will focus on enhancing in-country markets and regional trade.



### What do we do?

The Accelerating Prosperity Model



## What are we aiming to achieve?



**Improved self-employment and employment of women and men in supported enterprises**



**Increased growth of supported enterprises**



**Increased trade between supported enterprises, producers and clients**

### Support to policy

AP Asia will provide much needed evidence based on practical experience to support state-level policy dialogues around SME development and investment, as well as trade across the region. Working alongside the targeted SMEs, investors and other stakeholders will help build more inclusive environments. As supported enterprises grow, they will generate markets and services and open new avenues for regional trade. These interventions will put women and youth entrepreneurs in the frontline of economic transformation.

## Expected Results



**1,541**  
Regional entrepreneurs supported  
of which  
**798**  
in Pakistan



**4,500**  
Regional jobs created  
of which  
**2,345**  
in Pakistan



**45,000**  
Rural producers and clients supported  
of which  
**23,305**  
in Pakistan

### EU in Pakistan

The European Union (EU) funds projects and programmes around the world in order to help addressing global and local challenges. The reduction of poverty and the respect of fundamental rights and freedoms are key objectives in this context.

In Pakistan, the EU is committed to a stable, democratic and pluralistic country that respects human rights and benefits from its full economic potential by supporting sustainable and inclusive development for all its citizens. The EU provides Pakistan with about €100 million annually in grants for development and cooperation. Among other issues, the EU supports Pakistan in its efforts to tackle poverty, increase education, promote good governance, human rights, rule of law and ensure sustainable management of natural resources. EU-funded projects are covering all of Pakistan with a special focus on Sindh and Balochistan.

The collaboration between the European Union and Pakistan is grounded in the Strategic Engagement Plan (SEP) signed in 2019. Areas of cooperation under the SEP include peace and security, democracy, rule of law, human rights, and migration but also sectors such as energy, climate change and science and technology.

The EU is one of Pakistan's largest trading partners. The EU supports Pakistan's integration into the world economy and its sustainable economic development, namely by granting it preferential access to the European single market under the GSP+ system since 2014. Under this scheme almost 80% of Pakistan's exports enter the EU duty and quota free. In 2018, Pakistani exports to the EU were worth €6.9 billion.

In order to enjoy the trade preferences under GSP+, Pakistan needs to demonstrate progress on the implementation of 27 international conventions on human rights, good governance, labour rights and environmental protection.

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