

Media Update

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UNDP

Press Release

UNDP Pakistan launches the Suppliers Development Programme to support SMEs in Khyber Pakhtunkhwa

Peshawar, 17 August 2016 – A new development project aiming to improve the productivity, efficiency, product quality, and product delivery of small and medium scale enterprises was launched today in Peshawar by the United Nations Development Programme (UNDP) Pakistan, the Government of Khyber Pakhtunkhwa (KP) province, and the Small and Medium Enterprise Development Authority (SMEDA).

The Suppliers Development Programme (SDP) is part of UNDP's larger Khyber Pakhtunkhwa Economic Development Project which aims to boost economic development in the province by creating jobs, increasing the competitiveness of small and medium enterprises (SMEs), and nurturing young entrepreneurs. Pakistan is the first country in South Asia to replicate the SDP model, which is based on the assumption that marginalized groups, like youth and women, can play dynamic roles in building a prosperous society.

Marc-André Franche, the UNDP Pakistan Country Director, said, "SDP is in line with UNDP's larger objective of bringing stability through economic development in conflict-affected places. I am confident that the initiative will go a long way in generating employment and securing prosperous futures for skilled labour and entrepreneurs in the province."

Under the SDP, consultants are trained to work with a value chain comprising a leading company and 6–10 suppliers. They apply a specially designed methodology to improve the competitiveness of suppliers to meet the quality, quantity, standards, and delivery time of the products being supplied to the



lead company. Eventually, this low-cost model will be permanently embedded into a government or private sector entity.

“Addressing weaknesses of individual SMEs will not only increase competitiveness of the companies but will also enhance the competitiveness of the sector,” Zafar Ali Shah, Secretary of Planning and Development Department said. “In the long run, development of the private sector helps reduce poverty and inequalities in a society and SDP can be a great tool contributing towards this.”

Aadil Salahuddin, Chief Commercial Officer of KP Economic Zones Development and Management Company (KPEZDMC) said, “The SDP programme provides a great opportunity both for ‘sick’ and for new industries being set up in industrial zones. Both will benefit from the programme’s services in order to improve their businesses along with their key strategic suppliers. The SDP initiative is in line with KPEZDMC’s mission for industrial development in the province.”

The initiative was launched by Marc-André Franche, UNDP Pakistan Country Director; Anisa Zeb Tahirkheli, Minister for Minerals and Labour; Farah Hamid Khan, KP Secretary of Industries; Zafar Ali Shah, Planning and Development Secretary; Aadil Salahuddin, Chief Commercial Officer, KPEZDMC; and Iqbal Khattak, Provincial Chief, SMEDA.

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