

**Government of Pakistan  
Finance Division  
Central Monitoring Unit**

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**Subject: BUSINESS PLAN AND STATEMENT OF CORPORATE INTENT (SCI)  
GUIDELINES FOR STATE-OWNED ENTERPRISES**

In accordance with the requirements of the State-Owned Enterprises (Governance and Operations) Act, 2023 and the SOE Ownership and Management Policy, 2023, CMU has prepared guidelines titled “Business Plan and Statement of Corporate Intent (SCI) Guidelines”. This guidelines outline key steps and essential components that federally owned SOEs are required to include in their business plans and SCI submissions. Moreover, it provides guidance on setting strategic objectives, performing environmental analysis, engaging stakeholders, and establishing a framework for effective monitoring and evaluation.

3. A copy of the guidelines is enclosed, for use of Ministries/ Divisions and State-Owned Enterprises. Compliance with the prescribed format will facilitate alignment with government expectations and ensure consistency across SOEs.

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# **Guidelines for Business Plans and Statement of Corporate Intent for SOEs**

## BUSINESS PLAN GUIDELINES

In pursuance of Section 8 and Schedule III of the State-Owned Enterprises (Governance and Operations) Act, 2023 and Annexure I Part C of State-Owned Enterprises (Ownership and Management Policy) 2023, SOEs are required to adopt detailed Business Plan and Statement of Corporate Intent. The following guidance is being issued to help the SOEs in preparation of their Business Plan and Statement of Corporate Intent.

A business plan is a detailed written document that defines an SOE's goals, and the steps needed to achieve them. It is both an internal guide for decision-making and an external document for stakeholders.

Business plans are essential for SOEs to operate effectively within their regulatory framework and to align with national policy objectives. Business Plans typically include the following:

- **Strategic Alignment:** Ensures SOE activities align with national priorities and policy goals. By defining a clear vision and strategic objectives, SOEs can make meaningful contributions to economic growth, social welfare, and environmental sustainability.

- **Performance Management:** Provides a basis for setting measurable targets, tracking progress, and evaluating outcomes. Business plans enable SOEs to demonstrate accountability and show how they add value to stakeholders.

- **Resource Allocation:** Guides SOEs in prioritizing resource allocation based on strategic needs, risk assessments, and market opportunities. This ensures efficient use of financial, human, and technological resources.

- **Risk Management:** Incorporates strategies to identify and mitigate potential risks, enhancing the SOE's resilience and safeguarding its operations.

- **Stakeholder Engagement:** Facilitates transparency and accountability, building trust with stakeholders. A well-structured business plan helps SOEs engage with stakeholders, such as government agencies, investors, and the public, fostering collaboration.

- **Innovation and Adaptability:** Fosters a culture of continuous improvement and strategic agility. Business plans help SOEs respond to evolving challenges and trends, allowing them to grasp opportunities and maintain competitiveness.

*The business plan would include the Public Service Obligation (PSO), if any, for which the guidelines are issued separately.*

The business plans may include the following aspects.

### **BUSINESS PLAN CONTENTS**

<b>Section</b>	<b>Purpose</b>	<b>Content</b>	<b>Benefit</b>
<b>Executive Summary</b>	Provides a high-level overview of the business plan.	- Mission and strategic objectives	Offers stakeholders a clear, concise summary of the SOE's direction and objectives.
<b>Industry Analysis</b>	Assesses the SOE's external environment.	- Market size and growth	Informs strategic decisions by identifying opportunities for growth, expansion, and partnerships.
		- Market segmentation	
		- Competitive landscape	
		- Regulatory environment	
<b>Organizational Overview</b>	Describes the SOE's background, structure, and governance framework.	- Economic, social, and technological trends	Helps stakeholders understand the SOE's origins, role, and accountability mechanisms.
		- Background and mandate	
		- Governance structure	
		- Legal framework	
		- Key functions	
<b>Vision, Mission, and Core Values</b>	Articulates the SOE's purpose, aspirations, and guiding principles.	- Vision statement	Provides alignment and clarity for stakeholders, establishing a foundation for strategic goals.

		- Mission statement	
		- Core values	
<b>Strategic Objectives and KPIs of Business Plan</b>	Defines long-term goals and key performance indicators.	- Strategic objectives	Enhances accountability and tracks progress toward achieving strategic goals.
		- KPIs	
		- Timeline and milestones	
<b>Holistic Analysis</b>	Evaluates internal and external factors impacting the SOE.	- SWOT analysis	Informs risk management strategies and helps the SOE adapt to environmental changes.
		- PESTLE analysis	
		- Risk assessment	
<b>Stakeholder Engagement</b>	Engages stakeholders in decision-making and governance.	- Key stakeholder groups	Builds trust and aligns SOE activities with stakeholder expectations.
		- Engagement strategies	
		- Communication channels	
		- Feedback mechanisms	
<b>Risk Management</b>	Identifies, assesses, and mitigates risks associated with SOE operations.	- Key risks	Enhances resilience by proactively addressing potential threats.
		- Risk appetite	
		- Mitigation strategies	
		- Contingency plans	
<b>Financial Planning/ funding</b>	Ensures sustainable financial management and aligns resources with strategic priorities.	- Budgets	Provides a financial roadmap that ensures accountability and supports strategic objectives.
		- Financial forecasts	
		- Capital planning	

		- Debt and funding strategy	
<b>Implementation Plan</b>	Translates strategic objectives into actionable steps.	- Actions and initiatives	Provides clarity and direction, ensuring alignment across departments.
		- Responsibilities	
		- Timelines and milestones	
		- Resource requirements	
<b>Monitoring and Evaluation</b>	Tracks and assesses the effectiveness of strategic initiatives.	- KPIs and metrics	Supports continuous improvement and ensures the SOE remains on track.
		- Data collection methods	
		- Performance reviews	
		- Reporting mechanisms	
<b>Sustainability and CSR</b>	Demonstrates commitment to ethical, environmental, and social responsibilities.	- Sustainability initiatives	Enhances reputation and aligns with stakeholder expectations for responsible business practices.
		- CSR programs	
		- Ethical governance	
		- ESG reporting	
<b>Review and Updates</b>	Ensures the business plan remains relevant and responsive to changing circumstances.	- Review schedule	Fosters agility and adaptability, enabling the SOE to adjust to new challenges and opportunities.
		- Evaluation criteria	
		- Feedback mechanisms	
		- Continuous improvement	
<b>Approval Process</b>	Secures internal and external stakeholder	- Internal collaboration steps	Enhances transparency and ensures stakeholder

	approval for the business plan.	- External consultations	buy-in for effective implementation.
		- Documentation	

## **Contents of Statement of Corporate Intent (SCI)**

**Detailed guidance on SCI is given in Section 8(4) and Schedule III of SOE Act. Summarized version is as follows:**

### **1. Basic Information:**

- Name of the SOE (State-Owned Enterprise), date of incorporation, and relevant legal details.
- Any subsidiaries included under the SCI.

### **2. Main Business:**

- Description of the primary business activities of the SOE.

### **3. Business Goals:**

- Summary of the SOE's business goals as per the approved business plan.

### **4. Performance Measures:**

- Summary of the performance benchmarks against the SOE's business goals and its primary objectives.

### **5. Strategies:**

- Overview of the SOE's strategies for achieving its business goals and objectives (excluding sensitive information but including key risks).

### **6. Borrowing:**

- Details on current and anticipated borrowing requirements, including any borrowing by subsidiaries based on projected revenue needs.

### **7. Accounting Policies:**

- Outline of the accounting policies the SOE will apply for financial reporting.

### **8. Financial Statements:**

- Summary of indicative balance sheet and profit and loss statement.

### **9. Dividend Policy:**

- Proposed policy for dividend declaration and distribution.

### **10. Public Service Obligations:**

- Description of any public service obligations and their impact on the SOE's financial forecasts.

### **11. Additional Matters:**

- Any other relevant information directed by the Federal Government.

This structured outline ensures that all critical information about the SOE's operations, goals, and strategies is presented in a standardized format, enhancing transparency and accountability.