



# PBA monthly update

## Housing and construction: structural impediments

PBA's feedback on the Ministry of Housing & Works, Government of Pakistan's revised draft strategy paper on 'Structural Impediments of Housing and Construction Sector', has been sent to the Ministry in January 2023.

In November 2022, the Ministry of Housing & Works (MoHW), GoP, had requested a sectoral feedback from PBA on the draft strategy paper on structural impediments in the housing and construction sector, prepared by the Working Group (WG) constituted by Ministry of Finance, which includes PBA's representative.

Consultations with Mortgage heads of PBA member banks were carried out and a review was drafted at PBA and sent to the Ministry in November 2022. The Ministry had then sent the revised strategy paper in December 2022 for further feedback from PBA and PBA's response on the revised draft was submitted to the MoHW, on January 6, 2023.

Since the launch of SBP's Markup Subsidy scheme in October 2020, PBA has been collaborating with SBP in several ways. PBA's Technology Working Group (WG) oversees the design, development and deployment of an automated income estimation & credit assessment methodology and the PBA Joint Call Centre helpline handles incoming calls pertaining to Low Cost Housing (LCH). ◆

## SOPs for digital and social engineering frauds

As per the Standard Operating Procedures developed by the designated committee for cooperation amongst banks, SBP and FIA, one of the actions required by Regulated Institutions (RIs) was to nominate a point of contact for each FIA Zone for the purpose of, "expeditious investigation and prosecution of digital and social engineering frauds."

PBA has sent all its 45 member banks' nominations as 'Points of Contact' for the updated Standard Operating Procedures (SOPs) for digital frauds, as requested by SBP. ◆

Matters addressed/  
submitted to SBP  
January 1 – 31, 2023

## Shared eKYC Project

Following discussions of the eKYC Working Group with the vendor and consultations with SBP, the contract document with the vendor has been finalized after certain clauses were amended as per mutual agreement. Based on PBA's external legal counsel's advice, the final contract document has been sent to SBP for its approval.

The formal implementation of the project will take place after a go-ahead is received from SBP. ◆

## Dormant Accounts

On the request of its members, PBA looked into the matter of the Dormant Accounts instructions issued by SBP (*vide Circular Letter No. 33 of 2022,*) and the PBA General Banking Sub Committee was also asked to submit its views/suggestions on the subject.

### **Roshan Digital Accounts: guidelines training**

PBA organized a Zoom training session on the Regulatory Framework on Proceed Realization Certificate (PRC) on January 19, 2023, which was conducted by NIBAF (National Institute of Banking and Finance) and had participants from PBA's member banks.

SBP officers from the Exchange Policy Department delivered the training.

The main focus of the training was the PRC requirements and guidelines issued by SBP on RDA (Roshan Digital Accounts) *vide letter no. EPD/FCA&HRD/166458/2022*, and to address related questions raised by participants from PBA's member banks.

The training session was facilitated by PBA after questions were raised by members on the challenges being faced by banks regarding RDA and PRC requirements and guidelines. ◆

As per feedback received from the Sub Committee, PBA sent an email in January 2023 to SBP for clarification on the amendments, particularly points regarding online customer activity; biometric verification requirements and on procedures for non-residents, foreign nationals and joint/corporate account holders. PBA has requested SBP to address these concerns of its members for compliance of the fresh instructions. ◆

### **Sindh Budget 2023-24**

Invitation of Proposals for the 2022-23 Sindh Budget (as per Sindh Sales Tax on Service Act, 2011 [Sindh Act No XII of 2011]), were sought from PBA in December 2022, and have been subsequently sent to the Sindh Revenue Board (SRB) by PBA.

As per PBA's annual exercise, members' suggestions were taken into account and reviewed by the PBA, Accounting and Taxation Sub Committee. The consolidated response with the Sub Committee's suggestions were submitted to SRB on January 24, 2023. ◆

# Key matters in the pipeline: in brief




As on January 31, 2023

- 1. Centralized Fraud Database:** Upon SBP's request, PBA is working at creating a reporting format for case studies, typologies and modus operandi of frauds & forgeries to be used by banks and reported to PBA on a quarterly base for review by its Fraud Prevention Forum.
- 2. False marketing regarding real estate projects:** SBP has requested PBA to look into ways for banks to safeguard public deposits against fake offers regarding housing and to make it known to banks that a government NOC is essential for housing societies. PBA Mortgage Forum is examining the matter.
- 3. Climate Smart Agriculture Finance (CSAF) targets:** Subsequent to the Agriculture Credit Advisory Committee (ACAC) meeting held in Hyderabad in December 2022, in which PBA CEO had given a presentation on CSAF, PBA, was requested by the Governor, SBP, to also assign CSAF targets to banks and arrange monitoring of the targets on a monthly basis. PBA's Agriculture Finance Sub Committee is accordingly developing criteria for setting up of targets for members. After SBP's feedback, the criteria will be put up to PBA's EC for approval. The targets will then be communicated to the members.
- 4. Federal Budget and Tax Proposals, 2023-24:** suggestions for the Federal Budget for the coming fiscal year have been requested from PBA members and are expected to be received by February 3, 2023.
- 5. SECP Tax proposals:** SECP has invited proposals from PBA for reforming the existing tax policy. The PBA Accounting and Taxation Sub Committee is reviewing the current policy before giving suggestions to PBA for further consideration.
- 6. Technology governance and risk management:** PBA has been requested by SBP to provide its feedback/ comments on the Cybersecurity related amendments in Enterprise Technology Governance and Risk Management Framework for Financial Institutions. PBA Cyber Security Forum is examining the amendments following which PBA will review the forum's feedback and revert to SBP.

## PBA OFFICE

Islamic Chamber of Commerce building  
Ground floor, Street 2A,  
Clifton block 9, Karachi

## CONTACT:

 :+92 21 35822986/87  
 :pba@pakistanbanks.org  
 [www.pakistanbanks.org.pk](http://www.pakistanbanks.org.pk)