



PAKISTAN BANKS' ASSOCIATION

Monthly E-Newsletter

May 2024

News In-FOCUS

Establishment of the Steering Committee and Task Forces for Priority Sectors

In line with SBP's agenda of promoting financial inclusion in the country and upon the endorsement of the Minister for Finance & Revenue, Mr Muhammad Aurangzeb and Governor SBP, Mr Jameel Ahmad, PBA initiated a priority sector financing endeavour aimed at supporting Pakistan's three priority sectors i.e., the Small & Medium Enterprise (SME), Agriculture, and Digital & Technology sectors. To run this effort, PBA established a Steering Committee (SC) alongside three dedicated Task Forces for SMEs, Agriculture, and Digital & Technology last month. The primary responsibility of the SC and Task Forces is to provide financial insights and recommendations, enabling growth and innovation within these sectors.

The first set of recommendations for these priority sectors is currently being finalized by their respective Task Forces after the Steering Committee's initial review. Subsequently, the approved recommendations by the SC will then be presented to the Minister for Finance & Revenue and the SBP in the second week of May 2024.

Facilitation of IT Exporters and Freelancers

PBA issued an email to its members on April 17, 2024, reiterating SBP's directives regarding the promotion of initiatives related to IT exports and freelancing activities. These initiatives, which were discussed in the SBP-PBA 4th Quarterly Coordination Committee meeting on January 11, 2024, included introducing a framework for freelancers' accounts, simplifying the account opening process, increasing retention limits for export proceeds, issuing FCY debit cards etc.

The email emphasised on cascading the information to operational staff to efficiently facilitate IT exporters and freelancers in opening both PKR and FCY (retention) accounts. Furthermore, it stressed the significance of educating and training front-line and branch staff, equipping them with the necessary guidance to support queries and facilitate seamless onboarding of freelancers and IT exporters.

Projects in Progress

1. Federal Budget Proposals 2024-25

After due process of consultation with the Executive Committee, PBA recommendations for the Federal Budget 2024-25 have been finalised. Subsequently, these recommendations will be submitted to the Federal Board of Revenue (FBR) with a copy mailed to Governor SBP. This collaborative effort ensures that the banking industry's perspectives and needs are adequately represented and considered in the budgetary process.



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2. Update on the Shared Electronic Know Your Customer (e-KYC) Platform

As of April 2024, User Acceptance Testing (UAT) has been initiated across four banks including The Bank of Punjab, Soneri Bank, Bank of Khyber and Allied Bank Limited. These banks are currently in the process of conducting tests to ensure the system's functionality aligns with the e-KYC requirements before they sign off on the UAT. PBA anticipates the soft launch towards the end of May 2024 while the full rollout is expected by the end of 2024.

3. Update on Pakistan Banking Summit:

The Pakistan Banking Summit has now been scheduled for August 2024. More details on the theme, date and venue will be shared with members in due course.

Meetings Held

1. Executive Committee Meeting

Executive Committee Meeting	01/04/2024 at PBA Office
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2. Subcommittees' Meetings

Accounting & Taxation	19/04/2024 via Zoom and 25/04/2024 via Zoom
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3. Priority Sectors' Task Force Meetings

Task Force Meetings	05/04/24, 09/04/24, 15/04/24, 16/04/24, 17/04/24
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4. Working Groups' Meetings

eKYC Working Group	03/04/24, 04/04/24, 16/04/24, 18/04/24, 25/04/24, 30/04/24
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5. SBP Meetings

Meeting with SBP	03/04/2024 at State Bank of Pakistan
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