



NATIONAL INSTITUTE OF BANKING AND FINANCE

STATE BANK OF PAKISTAN



CAPACITY BUILDING PLAN IN DEVELOPMENT FINANCE

We know that financial service providers (mostly commercial banks) have not shown the desired level of seriousness and interest towards meeting financial needs of priority sectors of the economy, despite its strong potential in terms of income and employment generation capacity and poverty alleviation. In fact, banks have always offered traditional products without understanding the financing requirement of their borrowers. In this situation, capacity building of commercial banks in the area of development finance would help them design products more aligned with the needs of this segment of the economy.

In this backdrop, the central bank of Pakistan with the help of its training arm – National Institute of banking and Finance – has launched an aggressive capacity-building plan for commercial banks in priority areas (agriculture, SME, housing, microfinance, and Islamic banking).

1. Programs on agriculture finance

- (a) **5-days comprehensive training program** to train and equip the newly inducted agri credit officers with latest agri lending techniques.

Broad Contents:

- Overview of agriculture sector & SBP regulations;
- Agri credit target mechanism & risk mitigation schemes;
- Agri financing tools & techniques;
- Agri credit risk management;
- Agri loan marketing & sales system;
- Loan monitoring & delinquency management.

Free of cost

- (b) **2-day training programs for existing ACOs/AFOs** to develop their capacity on agri lending techniques and processes in order to help them transform their role as agri credit officer working with greater efficiency and effectiveness.

Broad Contents:

- Overview of agri sector and investment opportunities for banks;
- Agri finance infrastructure and key challenges;
- SBP guidelines and schemes;
- Innovation in agri financing;
- E-Credit scheme of GoPb;
- Islamic agri financing;
- Target estimation & monitoring;
- Market development in agri financing.

Free of cost

- (c) **3-day program for agriculture value chain financing** to enhance knowledge and understanding on core concepts and applications of agricultural value chain financing at the grass root level, aimed at innovatively addressing financing needs of the agri sector.

Broad Contents:

- Concept and products of agricultural value chain finance;
- Financial instruments suitable in Agri. VCF (Part 1);

Free of cost

- Risk mitigation and credit enhancement instruments in agri VCF;
- Product designing, delivery and pilot testing;
- Integrated agriculture financing model.

- (d) **One-day program for banks and other agri sector stakeholders** to remove information asymmetries and enhance synergies between stakeholders, both on demand side as well on supply side of agri financing.

Broad Contents:

- Overview of agri sector and investment opportunities for banks;
- Agri. finance infrastructure and key challenges in agri financing;
- SBP guidelines and schemes;
- Banks' products for agri financing;
- Group discussion on developing synergies for promoting agri financing.

Free of cost

2. Programs on SME finance

- (a) **2-day program on SME banking** to equip the officers with latest lending techniques in SME banking and thus help them serve the SME market more effectively.

Broad Contents:

- SME sector overview: challenges & opportunities;
- Risk management framework for SME banking;
- Key functions of risk, CAD, recovery and marketing personnel;
- Program based and cash flow based lending;
- SBP measures for the improvement of SME banking;
- Islamic business models for SME banking;
- Provision of non-financial advisory services (NFAS) to SMEs by banks.

**Discounted cost of
Rs 2,000 per
participant per day**

- (b) **3-day Training of Trainers (TOT)** to prepare/identify potential trainers and help the target participants gain deeper insight in globally successful SME banking models, enabling them to bring improvement in the exiting SME banking practices of their respective institutions.

Broad Contents:

- Overview of SME banking and SBP's initiatives for the promotion of SME finance;
- Business models for SME banking;
- New market opportunities and developing a value proposition;
- Delivery and channel management;
- Credit risk management for SME lending;
- Information systems (MIS) optimization.

**Discounted cost of
Rs 2,000 per
participant per day**

- (c) **1-day awareness-cum-handholding sessions for SMEs** to make the target SMEs aware of various SBP financing schemes and work towards increasing their bankability, thus enabling them to avail SME banking services at a larger scale.

Broad Contents:

- SME overview and major issues on demand and supply side;
- SME policy and its key pillars;
- SBP measures for the development of the sector;
- Banking products for SMEs and provision of NFAS.

Free of cost

3. Programs on housing finance

- (a) **2-day training programs** to prepare and develop capacity of banks in the area of housing finance with improved insight and better lending skills, aimed at increasing the housing portfolio of banks in the country

Broad Contents:

- Housing finance – overview and SBP policy for low-cost housing finance;
- Risk management in housing finance;
- Housing finance prudential regulations;
- Housing finance products (conventional and Islamic);
- Housing finance documentation & mortgage creation;
- Recoveries & foreclosures.

**Discounted cost of
Rs 2,000 per
participant per day**

- (b) **2-day program on Training of Trainers (TOT)** aimed at heads Housing Finance/Consumer Group of banks with an objective to prepare/identify potential trainers and help the target participants gain deeper insight in globally successful Housing Finance models, in order to bring further improvement in their existing Housing Finance practices

Broad Contents:

- Housing finance – overview and SBP policy for low-cost housing finance;
- Business models in housing finance;
- Risk management in housing finance;
- Housing finance prudential regulations and product structuring;
- Housing finance documentation, recoveries & foreclosures.

**Discounted cost of
Rs 2,000 per
participant per day**

4. Program on microfinance

- (a) **5-day Middle Management Development Program (MMDP)** to facilitate growth of microfinance sector through enhancing the skill levels of human resource working at middle and senior level in microfinance institutions/microfinance banks, and as a result improving the quality of services of the sector

Broad Contents:

- Overview of microfinance sector;
- Prudential regulations for microfinance banks;
- Understanding selling & deposit mobilization;
- Financial management relationship in risk, control and audit;
- Anti-money laundering & CFT;
- Branch management and developing managerial competencies through leading teams.

Free of cost

5. Programs on Islamic banking

- (a) **3-day Training of Trainers (TOT)** has been designed for the heads of Islamic Banking departments in banks with an objective to prepare/identify potential trainers and help the target participants gain better skills of delivery and latest training techniques.

Broad Contents:

- Effective training techniques/methodologies
 - Creating and designing presentations and visual aids tips;
 - Use of ICT as a tool;
 - Learning advanced techniques on brainstorming, mind mapping and discussion;
 - Demonstrate the use of experiential learning exercises;
- Structuring and conducting case studies:
 - Dealing/handling groups and co-facilitation skills;
 - Monitoring & evaluation, and use of role-play.

Free of cost

- (b) **One-day awareness program** aims at the chambers/traders, academia and Shariah scholars, to make them aware of the concepts of Islamic Banking and different Islamic banking products offered in the market, thus

working on increasing their conviction level about Islamic banking; as a result of which, their inclusion in the formal banking net would increase.

Broad Contents:

- Main principles of Islamic finance and Shariah boundaries;
- Basic concepts and philosophy of Islamic banking and finance;
- Introduction to Islamic modes of financing.

Free of cost

Training Calendar October-December 2018

Month		Program Title	Venue	Date
SME Banking				
Oct	1	Training Program on Problem loans and NPL management for SME bankers	Rawalpindi	Oct 1-2, 2018
	2	1. Re-financing and Risk Coverage Facilities for SMEs 2. Prudential regulations on SME banking/financing	Quetta	Oct 8-9, 2018
	3	1. Re-financing and Risk Coverage Facilities for SMEs 2. Prudential regulations on SME banking/financing	Karachi	Oct 11-12, 2018
	4	1. Re-financing and Risk Coverage Facilities for SMEs 2. Prudential regulations on SME banking/financing	Sargodha	Oct 18-19, 2018
	5	Training program Islamic SME Finance for Branch managers	Peshawar	Oct 23-24, 2018
Nov	1	Training program Islamic SME Financing for Relationship Managers	Khairpur	Nov 5-6, 2018
	2	Training program on SME banking for Relationship Managers	Nawabshah	Nov 8-9, 2018
	3	Training program on SME banking for Relationship Managers	Jehlum	Nov 15-16, 2018
	4	SBP regulatory framework and re-financing schemes for SMEs	Hyderabad	Nov 26-27, 2018
Dec	1	SBP regulatory framework and re-financing schemes for SMEs	Rawalpindi	Dec 6-7, 2018
	2	Training Program on SME banking for relationship Managers	Peshawar	Dec 13-14, 2018
	3	Training on program based lending	Karachi	Dec 20-21, 2018
	4	Awareness session for SMEs	Gujranwala	24-Dec-18
	5	Training Program for CAD personnel on SME banking	Quetta	Dec 26-27, 2018
Housing Finance				
Oct	1	Training Program on Housing Finance	Rawalpindi	Oct 18-19 2019
	2	Training Program on Housing Finance	Peshawar	Oct 25-26, 2018
Nov	1	Training Program on Housing Finance	Karachi	Nov 22-23, 2018
	2	Training Program on Housing Finance	Hyderabad	Nov 28-29, 2018
Dec	1	Training Program on Housing Finance	Lahore	Dec 3-4, 2018
	2	Training Program on Housing Finance	Gujranwala	Dec 17-18, 2018
Agriculture Finance				
Oct	1	3-day program on Agri Value Chain Financing	Peshawar	Oct 8-10, 2018
Nov	1	3-day program on Agri Value Chain Financing	Lahore	Nov 5-7, 2018
	2	2-days Training program existing Credit/CAD/Risk Management Officers	Hyderabad	Nov 12-13, 2018
	3	5-days comprehensive training program for fresh ACOS/AFOs	Multan	Nov 26-30, 2018
Dec	1	3-day program on Agri Value Chain Financing	Quetta	Dec 3-5, 2018
	2	5-days comprehensive training program for fresh ACOS/AFOs	Faisalabad	Dec 10-14, 2018
	3	2-days Training program existing Credit/CAD/Risk Management Officers	Gujrat	Dec 20-21, 2018

Month		Program Title	Venue	Date
Micro Finance				
Oct	1	Middle Management Development Program	Karachi	October 08-12, 2018
	2	Middle Management Development Program	Lahore	October 22-26, 2018
Nov	1	Middle Management Development Program	Multan	November 12-16, 2018
Dec	1	Middle Management Development Program	Bahawalpur	December 03-07, 2018
Islamic Banking				
Oct	1	Islamic Banking Certification Program (IBCC # 43)	Islamabad	Oct 1– 23, 2018
Nov	1	Fundamentals of Islamic Banking Operations (FIBO)	Mardan	Oct 29 – Nov 2, 2018
	2	Fundamentals of Islamic Banking Operations (FIBO)	Abbotabad	Nov 5-9, 2018
	3	Fundamentals of Islamic Banking Operations (FIBO)	Mirpur/AJK	Nov 12-16, 2018
Dec	1	Islamic Banking Certification Program (IBCC # 44)	Karachi	Nov 29 – Dec 21, 2018