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FM to unveil Financial Innovation Challenge on innovative agricultural and rural finance

Finance Minister, Senator Muhammad Ishaq Dar will launch the 2nd Financial Innovation Challenge Fund (FICF) round on 6th March 2014 at Serena Hotel, Islamabad. FICF is component of the larger Financial Inclusion Program implemented by State Bank of Pakistan under the funding assistance of the UK Aid.

The challenge round is held on innovative rural and agricultural financial services while using innovative products and delivery channels for financial services to the hitherto underserved low income rural population and agricultural sector in Pakistan. The eventual aim of the innovative rural and agricultural financing round is to identify and leverage on the strengths of existing and newer rural and agricultural eco system players such as input suppliers, aggregators, processors, marketers etc., and use their strengths for opening up opportunities for the financing of rural and agricultural activities through formal financial institutions. The applicants will submit complete proposal by 10 April 2014. Detailed guidelines print will be published on SBP website on the launch date.

The purpose of FICF is to provide grants to foster innovation and test new markets, lower cost of delivery, enable systems and procedures to be more efficient and provide new ways of meeting the unmet demand for financial services. Earlier, the 1st Challenge Round of FICF was held on promoting "Financially Inclusive Government to Person (G2P) Payments" through innovative delivery channels such as branchless banking models. Under this round, FICF is now supporting Punjab Pension Fund, EOBI, UBL, and NADRA for a number of innovative pilots for adoption of innovative approaches to deliver affordable and convenient financially inclusive G2P payments covering the entire spectrum of G2P payments including, salaries, pensions and welfare payments through financially inclusive models.