



March 30, 2015

Press Release

SBP–FAO seminar on agriculture value chain financing held for senior bankers

State Bank of Pakistan (SBP) in collaboration with Food and Agriculture Organization (FAO) of the United Nations organized a seminar on “Agricultural Value Chain Financing’ here on Monday. Two well-known international experts, Mr. Calvin Miller from FAO, and Dr. Prasun Das from Asia-Pacific Rural and Agricultural Credit Association (APRACA) shared globally best practices of various value chain financing models.

The inaugural session was chaired by Syed Samar Hasnain, Executive Director, State Bank of Pakistan. The seminar was attended by around 100 participants largely including senior executives of commercial banks, and officials of State Bank. While addressing the audience, Mr. Hasnain highlighted SBP’s strategy of working closely with the banking and agriculture sectors for meeting the growing demand of agri-credit in the country. He appreciated the efforts of the banks which have already achieved 58% of the annual target of Rs. 500 billion for agri-credit disbursements in the first eight months of current fiscal year 2014-15.

Mr. Hasnain also stressed that the banks needed to explore financing to all clusters of agriculture with particular focus on reaching out to small farmers. He encouraged the banks to use innovative credit methodologies such as value chain financing to reach out to small farmers. Referring to the importance of value chain financing, he said that SBP has been working to create an ecosystem for supporting such innovative models. He mentioned about SBP’s support to the pilots of few banks in financing to value chains of sugarcane, potato, and aqua-culture.

FAO representative Mr. Nasar Hayat highlighted the efforts and assistance that FAO has been extending to the Government in building and strengthening the national agriculture infrastructure in Pakistan. He emphasized on the need of an inclusive and efficient agricultural and food system. In particular, he shared the FAO’s activities to support small farmers of Baluchistan to improve their production yield and market access.

At this occasion, two Pakistani leading banks HBL and Khushhali Bank, and one major food industry player, Engro Foods also shared their experiences of working with the emerging value chains in Pakistan.

In his concluding remarks, Dr. Saeed Ahmed, Director of the Agricultural Credit & Microfinance Department of SBP appreciated the FAO collaboration with SBP for promoting agricultural value chain financing in Pakistan.

xxxxxxx