

SBP Subsidiaries

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State Bank of Pakistan Banking Services Corporation (BANK)

8.1 Overview

SBP-Banking Services Corporation (BSC) continued with its focus on improvement of service delivery mechanisms. In the recent years, SBP-BSC has undertaken various initiatives to address its core responsibilities by improving quality of service to stakeholders and strengthening its organizational capacity. It has undergone significant changes including improved human resource management, business processes re-engineering and systems automation. The e-communication has been enhanced due to implementation of Globus Inter Company Reconciliation System at all the sixteen field offices. In order to incorporate the changes in work processes after automation, the relevant manuals are being modified through a committee constituted for this purpose. Furthermore, another committee was constituted in the year 2007 for up-dation of Manual for Office Procedures.

For ensuring effective internal controls in an automated environment, an IT Audit Division has been established. While a number of comprehensive trainings are being organized to enhance the productivity and skill base of employees. The implementation of job rotation policy allowed improvement in the skills level of employees. During FY 2007, a number of projects to improve physical infrastructure were also completed including the remodeling, renovation and refurbishing of various floors of BSC Head Office.

8.2 Corporate Structure of SBP-BSC (Bank)

The Board of Directors of BSC has been empowered by SBP Banking Services Corporation Ordinance 2001 to take decisions with respect to policies and its future direction. The Board comprises all members of the Central Board of Directors of SBP and the Managing Director of BSC. During FY 2007, the Board of Directors held six meetings i.e. three at Karachi, and one each at Hyderabad, Faisalabad and Peshawar offices.

8.2.1 Constitution of the Sub-committees

The following three sub-committees of the Board oversee the functions of BSC.

- Sub-Committee of the Board on Human Resources
- Sub-Committee of the Board on Audit¹
- Sub-Committee of the Board on Building Projects

8.2.2 Re-organization of SBP and functional reporting

As part of major re-organization, functional reporting relationship of Finance, Human Resources and Audit functions in SBP was established with their counterparts in SBP BSC to improve enterprise wide coordination and internal controls.

¹ The sub-committee of the Board on Audit will also look after the work relating to Budget & Expenditure

8.3 Currency Management

The management of currency is one of the main functions being performed by BSC. Under Section 5 (b) of SBP Banking Services Corporation Ordinance 2001, BSC is entrusted with the responsibility of handling receipt, supply and exchange of banknotes and coins on behalf of SBP. The issuance of currency notes is carried out through its four issue circles located at Karachi, Lahore, Quetta and Peshawar offices along with a network of National Bank of Pakistan chest branches throughout the country. A computerized system for issue accounting function is operational in four Issue Offices. During the year under review, BSC continued its efforts to ensure adequate availability of banknotes and coins, withdrawal of soiled notes from circulation and their disposal, mechanization of note processing and took effective measures to combat counterfeit banknotes. Management of currency is critical as the value of currency in circulation increased from Rs.787.9 billion as of July 2006 to Rs.893.4 billion on 30th June 2007, which represents growth of 13.4 percent.

SBP-BSC focused on improvement of the quality of banknotes under circulation. In addition to regular supply of fresh notes, the speedy disposal of soiled notes, mechanization of cash processing activity and discontinuation of the practice of stapling banknotes have all contributed to improved quality of banknotes in circulation. Instructions were also issued to the commercial banks to sort out banknotes into issuable and non-issuable categories, issue only clean banknotes to the public and remit the unstapled, soiled notes to the SBP-BSC field offices. During FY 2007, a total number of 1.024 billion pieces of soiled and unusable banknotes were destroyed after following the prescribed process.

In FY 2007, banknotes of Rs.100, Rs.500 and Rs.1000 denominations with advanced security features have been introduced. This was in addition to the new design banknotes of Rs.10, Rs.20 and Rs.5000 denominations introduced in the previous year. The system of automated currency sorting cell has been established at SBP-BSC offices in Karachi, Multan, Peshawar and Lahore to sort out and categorize the banknotes into re-issuable and non-issuable notes. The verification and destruction exercise of soiled/cut-notes under defined procedures has been extended up to Rs.50 denomination banknotes for ensuring quick disposal of unfit notes from circulation.

As a part of public awareness program, pamphlets/posters depicting security features of new design banknotes have been distributed among the public and displayed at prominent places of different cities and villages of the country through BSC field offices/commercial banks. The training of bank's staff in detection of counterfeit notes is a regular feature of BSC training activity. In order to combat counterfeit currency notes, Prime Minister constituted a 'Task Force' whose recommendations were finalized and approved by the competent authority and are currently under implementation.

8.4 Banker to the Government

State Bank of Pakistan acts as a banker to the central and provincial governments in pursuance of SBP Act, 1956. The banking services to central, provincial and district governments is provided by SBP through the field offices of SBP-BSC and branches of NBP as its agent. During FY 2007, BSC field offices and NBP branches collected all federal and provincial taxes including income tax, sales tax, central excise duty, customs duty etc on behalf of the government. The CBR Automation Program has also been launched at field offices of BSC and branches of NBP. For implementing the program, concerned officials have been provided necessary trainings. This was beneficial in the context of prompt reporting and reconciliation as the total business relating to CBR receipts and payments increased by 16% to Rs.940.4 billion in FY 2007 as compared to

Rs.811.8 billion for the FY 2006. Further, collection of Zakat during the year was Rs.5,502 million while its total disbursements amounted to Rs.5,354 million through SBP-BSC field offices.

SBP-BSC also manages the operational work relating to public debt instruments such as Pakistan Investment Bonds, Federal Investment Bonds and Treasury Bills etc. In addition, sale, encashment and profit payment of various instruments of national savings schemes launched by the Central Directorate of National Savings are also carried out by the offices of SBP-BSC. The instruments of national savings handled by SBP-BSC include Special Savings Certificates (SSC), Defence Savings Certificates (DSC) and National Prize Bonds where the total number of cases handled regarding sale, encashment and profit payment of SSC and DSC stood at 830,290 as compared to 933,205 for the previous year.

8.5 Payment Systems

SBP-BSC is instrumental in promoting an efficient payment and settlement systems in the country. For automation of the process, an arrangement has been made with National Institutional Facilitation Technology (NIFT) where NIFT collects the financial instruments and after processing, provides every bank's position for clearing and settlement to BSC. In order to further automate the payment systems, SBP is in the process of introducing numerous reforms which include gradual shifting from traditional paper-based, end-of-the-day settlement system to electronic payment system by implementing Real Time Gross Settlement System (RTGS) named Pakistan Real Time Inter-bank Settlement Mechanism (PRISM) for large value low volume inter-bank fund transfers and settlements. PRISM after full implementation will provide the capability to settle the inter-bank transactions whether clean or against securities on real time basis, minimizing settlement risk for the participants.

The field offices of SBP-BSC are also playing an important role in the development of RTGS. BSC has deputed a number of trained officers for RTGS project to provide knowledge and logistic support to the RTGS team. In addition, departments and field offices of BSC (especially the Karachi office) has contributed in vetting various specifications and documents. One of the major aspects of the project has been the centralization of multilateral netting for retail clearing, currently done through NIFT in Karachi, which has seen significant progress during FY 2007. This initiative was a prerequisite for RTGS launch and will enable banks to effectively utilize their liquidity currently scattered in the sixteen offices of BSC. During FY 2007, the RTGS team in collaboration with NIFT and BSC field offices held training and awareness sessions for commercial banks throughout the country. These sessions were highly successful and were attended by officers from commercial banks.

8.6 Foreign Exchange Operations and Adjudication

The Exchange Policy Department (EPD) of SBP is responsible for formulation of foreign exchange policies while the implementation of these policies has been entrusted to Foreign Exchange Operations Department (FEOD) of BSC under the SBP-BSC Ordinance 2001. FEOD has an intermediary role between EPD, Authorized Dealers and other stakeholders. During recent years, the scope and operational dimensions of FEOD have increased manifold especially after the introduction of Research & Development Support (R&DS) from the federal government on export of garments, textile and leather footwear. FEOD is emphasizing on dissemination of knowledge to various stakeholders on various operational issues ranging from export documentation, import and R&DS.

The R&DS facility, which was limited to knitted garments sector at 6 percent of net FOB value of export, has been extended to home textile, fabric and leather footwear at 5 percent, 3 percent and 6 percent respectively in year 2006. Similarly, subsidies have been allowed on import of various commodities i.e. cement, fertilizer and whole black gram. During FY 2007, the disbursement of allowance on these schemes has been successfully managed by FEOD. The data on R&DS facilities is given below:

(Rs. Million)

Field Office	2005-06		2006-07		% age Change	
	No. of Cases	Amount Paid	No. of Cases	Amount Paid	No. of Cases	Amount Paid
Faisalabad	8,732	749.120	23,825	2,919.944	173	290
Gujranwala	38	6.264	114	13.936	200	122
Hyderabad	1	8.229	434	51.457	43,300	525
Karachi	34,247	2,952.151	62,688	7,682.835	83	160
Lahore	22,363	1,707.091	17,314	2,656.381	(-) 23	56
Multan	183	38.169	1,097	232.417	499	509
Rawalpindi	81	5.671	567	66.675	600	1,076
Sialkot	98	287.201	11,989	476.333	12,134	66
Total	65,743	5,753.896	118,028	14,099.978	80	145

During the FY2007, Foreign Exchange Adjudication Department (FEAD) continued to assist the exporters to realize export proceeds. The department received a total number of 634 cases as compared to 499 cases in the preceding year. It disposed of 322 cases in respect of delinquent exporters on a countrywide basis. As such the disposal to receipt ratio remained at 51 percent. The department managed realization of overdue export proceeds equivalent to US\$ 5.96 million as compared to US\$ 8.287 million in the last year showing a decrease of US\$ 2.327 million or 28.1 percent. This position could be attributed to the fact that out of 3 courts at Karachi, one court remained vacant for a period of almost five months during the current year. As a result, the amount realized from Karachi courts stood at US\$ 2.135 million as compared to US\$ 3.852 million in the preceding year. The details of amount realized by the Adjudicating Courts at Karachi, Lahore, Sialkot and Faisalabad (including Multan) is given in the following table:-

(U.S.Dollar)

Adjudication Court at	2005-06	2006-07	% Increase / Decrease
Karachi	3,851,586	2,134,649	(-) 44.6
Lahore	1,067,686	1,434,033	(+) 34.3
Faisalabad	1,408,277	1,716,265	(+) 21.9
Sialkot	1,959,314	674,762	(-) 65.6
Total	8,286,863	5,959,709	(-) 28.1

8.7 Export Finance-Disbursement and Monitoring

The operational work relating to Export Finance Scheme (EFS) of SBP continued in the field offices of BSC during FY 2007. The EFS is being implemented in two parts, viz. Part I and Part II. In addition, BSC offices are also providing refinance to commercial banks under Islamic Export Refinance Scheme (IERS) and Scheme for Long-Term Financing for Export Oriented Projects (LTF-EOP). The commercial banks after providing finance to the exporter become eligible to avail refinance from SBP-BSC, which is granted to them within 48 hours from receipt of the claim, completed in all respect. The field offices also ensure recovery of amount granted on the respective due date by debit to the account of concerned commercial bank. The rate of return under these export finance schemes is lower as compared to the market rate. The total number of transactions handled by the field offices of SBP-BSC under Export Refinance cases i.e. grant, repayment of loan and remuneration (share of profit) stood at 116,912 during FY 2007 as compared to 128,560 in the preceding year.

The on-site verification of export refinance cases under Part I of the scheme is another responsibility entrusted to BSC field offices. The nominees of Chief Managers conduct the checking of EFS cases at the branches of commercial banks that have availed refinance facility. The names of the verification officers are intimated to the zonal chiefs of concerned banks a day before the start of on-site verification. During the verification process, officials of commercial banks have the instructions to cooperate with the verification team for carrying out their work expeditiously. On-site verification of EFS cases conducted is in addition to the regular inspection of these bank branches by SBP. All irregularities detected during the course of verification are pointed out to the concerned banks and fines levied at the prescribed rate for irregularity. The Central EFS Verification Unit established at the Head Office of SBP-BSC is responsible to monitor the verification process carried out by field offices and to prepare a consolidated verification report on each bank for onward submission to SMEs and Micro Finance Department of SBP. During FY 2007, the Central EFS Verification Unit prepared 37 consolidated reports on different commercial banks which have availed refinance facilities from field offices of BSC on behalf of State Bank of Pakistan for final action at their end.

8.8 Operational Role in Monetary Management

The SBP-BSC field offices are providing operational support to SBP in fulfilling its monetary management responsibility. The Current Accounts and Other Deposit Accounts of commercial banks are managed by SBP-BSC to maintain their Cash Reserve Ratio (CRR) and Statutory Liquidity Requirement (SLR). It provides the position of CRR and SLR on daily basis to the concerned departments of SBP for monitoring developments in these accounts. Further, SBP-BSC also provides back office support in the auction of Treasury Bills, Pakistan Investment Bonds etc.

8.9 Internal Audit and Controls

Internal Audit Department (IAD) contributes towards implementation of internal control and risk mitigation. The main function of Internal Audit is to examine and evaluate the adequacy and effectiveness of internal control systems, review the effectiveness of risk management procedures and methodologies, assess the management & financial information systems including electronic information system in various operations and activities of BSC. The Audit briefs identify irregularities along with a detailed report which is submitted to Managing Director for review. Subsequently, the same is forwarded to Director, Internal Audit & Compliance Department of SBP.

During FY 2007, it carried out audit of twelve field offices and three departments as per Audit Plan. The Audit teams evaluated the existing policies and procedures, examined that the resources are acquired economically, used efficiently, safeguarded adequately and gave its recommendations for improvements. IT Division of IAD conducted the IT audit of the offices and departments along with Financial Audit Team.

The Off-site surveillance teams examined all the operational activities of BSC through Internal Audit Units (IAUs) housed at field offices in order to monitor operational efficiency, adequacy and effectiveness of internal controls, risk management and suggested improvement thereon. Beside, Audit teams, 17 IAUs located at BSC offices and HOK are doing post audit work throughout the year and report significant observations to IAD, which highlight the irregularities in the transactions of offices/departments for immediate rectification by the Chief Manager/Heads of Departments. The Sub-committee of the Board on Audit held its regular meetings to review audit activities, particularly the compliance status of Audit Reports for SBP-BSC.

8.10 Human Resources

SBP-BSC, being cognizant of the importance of its human capital, continued with its efforts for enhancing the internal capacity through trainings and employee development programs administered by NIBAF and other external training institutions. During FY 2007, a total number of 205 employees of SBP-BSC Head Office and 882 employees from the field offices attended various training programs at NIBAF, Institute of Bankers Pakistan and other prominent training institutions of the country. Further, management has also completed work for launching a comprehensive Organizational Development and Change Management Program at SBP-BSC for transforming it into a more professional and efficient organization, fully capable of meeting the future challenges and expectations of its stakeholders.

At the same time conscientious efforts are being made to rationalize the human resources by providing honorable exit opportunities in the shape of Voluntary Separation Schemes to those employees, whose skills set does not match with the changing job requirements. Consequently, the total working strength of SBP-BSC has reduced from 5,323 to 4,795 (as of June 30, 2007). The comparative position is given as below:

S. No	Side	30-06-2006			30-06-2007		
		HOK	Field Offices	Total	HOK	Field Offices	Total
1	On Secondment from SBP	10	9	19	13	8	21
2	On Deputation to Government Departments	2	10	12	2	11	13
3	General Side	393	2,233	2,626	379	2,019	2,398
4	Cash Side	-	1,995	1,995	3	1,760	1,763
5	Engineering Side	132	137	269	110	115	225
6	Other Technical/Ex-cadre etc.	106	296	402	98	277	375
Total		643	4680	5323	605	4,190	4,795

8.11 Local Credit Advisory Committees

The Local Credit Advisory Committee (LCAC) is a forum where the stakeholders of SBP and SBP-BSC can discuss their problems and seek solutions at the local level. LCAC under the chairmanship of Chief Managers of field offices continued to perform its role as a liaison between SBP and its stakeholders. During the period under review, these committees resolved various problems by providing timely feedback and clarification on various credit schemes of SBP. LCAC held fifty meetings with the representatives of business/trade associations, farmers associations and Chambers of Commerce and Industry. Further, in order to apprise the rural population about credit schemes of SBP and to get feedback on other banking facilities, Chief Managers visited 55 small towns where it was observed that most of the problems faced by the stakeholders related to mark-up rate on refinance, agriculture credit, disbursement of agricultural credit to farming community and payment of utility bills.

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9 National Institute of Banking & Finance

9.1 Overview

National Institute of Banking & Finance (NIBAF) being the training entity of SBP, plays a vital role in enhancing professional competencies for managing the emerging challenges of financial sector and strengthening of its core functions by conducting high value training and improvement of human capital at SBP. In this regard, the institute is focused on the development of a thinking culture, understanding of linkages and the vital importance of informed policy formulation. Besides meeting the training needs of SBP, recently NIBAF extended its training facility to SBP-BSC and ensured the expansion of the scope & horizon of its training activities to enhance knowledge and improve skills at different levels. The institute is making renewed initiatives and endeavors by encompassing emerging needs of its stakeholders and by adopting best practices. NIBAF also inculcates the experience and opinions of the international participants on different issues, through the regular international training programs in Central and Commercial Banking, which are held under Pakistan Technical Assistance Program (PTAP). In addition, a Rural Finance Resource Center (RFRC) has been established at NIBAF specialized in capacity building of the commercial banks/micro finance institutions.

9.1.1 Composition of Trainings and Development

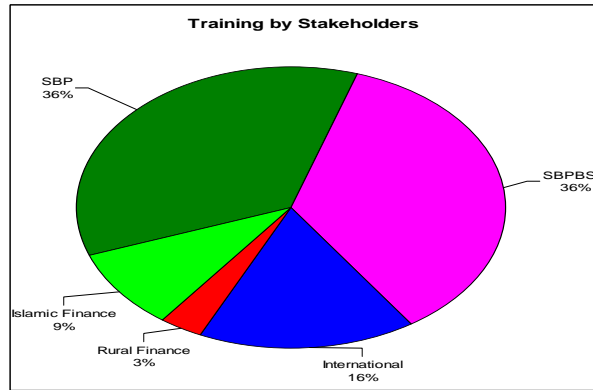
The institute continued to provide training tailored for specific needs and capacity building of the financial sector in areas like Islamic Banking, Micro Finance, Small & Medium Enterprise financing, rural finance, Corporate Governance, Risk Management and Anti-Money Laundering. The details are mentioned below:

Training Programs		Target			Actual Delivered			Shortfall/ Excess
		ISD	KHI	Total	ISD	KHI	Total	
A	SBP	20	41	61	22.6	24.4	47	-14
	Post Induction	20	-	20	20		20	-
	Skill up-gradation	-	41	41	2.6	24.4	27	-14
B	SBP-BSC	27	20	47	27.4	20	47.4	-
C	International Programs	8	-	8	19		19	11
D	RFRC	4	-	4	4.5		4.5	1
E	Islamic Banking	3	6	9	5	7.2	12.2	3
F	Other Financial Institutions	2	-	2	2.8		2.8	1
Total Weeks		64	67	131	81.3	51.6	132.9	2
Total Trainees					1,500	1,176	1,048	2,224

During FY 2007 besides long duration training programs, the institute offered short duration, skill development training programs in the core areas of Central Banking, Economics and Management. However, the overall composition of training and development stands changed due to a number of reasons. First, there was a shift in the demand for training from SBP at the skills up-gradation level towards fewer and shorter duration training programs, which was addressed by development and delivery of customized programs. Second, there was an increased demand for participation in the institute's training programs from SBP-BSC. Third, there was an emerging

demand from international sources for NIBAF training programs for which customized long duration programs were designed and delivered to bankers and other officials from Afghanistan.

Figure-9.1: Training For Stakeholders-FY07



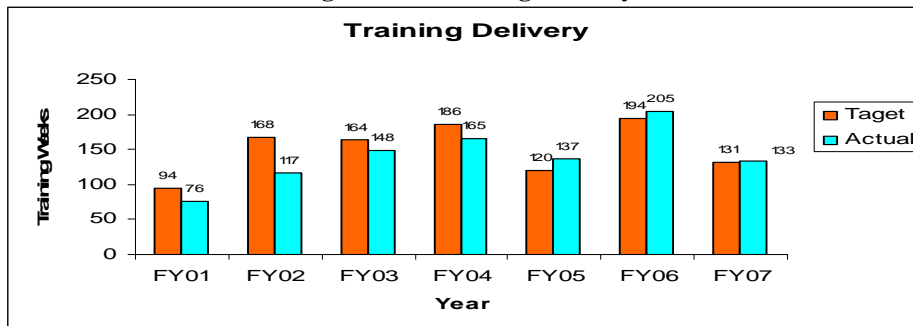
The institute undertook several initiatives to improve management and delivery of its programs. Some of the measures undertaken included:

- Preparation of Annual Business Plan
- Introduction of Annual Training Calendar
- Continuous up-dation of trainer's roster
- Revision of Evaluation Systems & training methodology
- Development of Training Manual.

9.1.2 Training Delivery and Participation

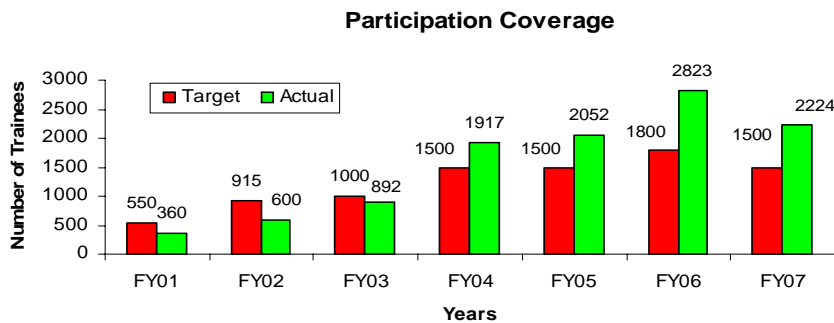
The institute's training delivery methodology includes a combination of state of the art techniques and real-world policy analysis. Over years experience has shown that emphasis on workshop exercises and real-world case studies tend to greatly increase the retention rate of material taught. During FY 2007, the institute continued to work towards aligning and adapting training efforts to changing needs of stakeholders with continuous improvement in delivery methods, by offering new courses of relevance, revisiting existing module, contents and the curriculum.

Figure-9.2: Training Delivery



Similarly, Figure-9.3 highlights that in FY 2007, participation coverage in comparison to the previous year has declined due to reduced participation from SBP.

Figure-9.3: Training Participation



9.2 State Bank of Pakistan

In the Business Plan for FY 2007, 41 weeks of training was planned for skills up-gradation at SBP, out of which only 19.6 weeks were delivered in the first half of fiscal year 2006-07, whereas 17 weeks were cancelled due to shift in its mandatory training policy. Thus, participation level during the second half of 2006-07 decreased significantly, where out of a total of 2,224 participants only 583 were from SBP.

In line with the suggestion from Training & Development Department (TDD) of SBP, NIBAF introduced some new programs such as Time Management, Inflation Targeting, Basel-II implications for Banking Sector and Fundamentals of Microfinance.

In light of overall requirements of SBP, curriculum for post-induction training program was revised as:

Table-9.2: Cluster wise Participations (percentage wise)

Track	Cluster	MPR Cluster	Banking Cluster	FMR Cluster	CS Cluster	Governor's Office	Total
Banking Track		12	55	8	21	4	100
Economic Track		21	40	17	19	4	100
Management Track		17	49	10	22	1	100

9.3 SBP BSC (Bank)

In the Business Plan for FY 2007, 47 weeks of training were planned for SBP-BSC. Here, a major shift was the increased demand for intermediate level function specific courses. Further, three additional intermediate level courses were also developed on Currency Management. In order to deliver these modules courses were designed by NIBAF and reviewed by Curriculum Committees.

The training facility at NIBAF was availed by 1,060 officers of SBP-BSC. In addition, a two-day training workshop on Business Planning was also organized in December, 2006 for its Directors and Chief Managers.

9.4 International Training Programs

NIBAF continues to offer international trainings in Central & Commercial Banking organized under the joint aegis of State Bank of Pakistan and Economic Affairs Division, Government of Pakistan, as part of Pakistan Technical Assistance Programme (PTAP). The main objective of the commercial banking training program is to provide the participants an understanding of prevailing and emerging role of banks. In case of central banking training programs the prime objective is to provide an understanding of macro economic framework with inter-sectoral linkages, monetary and external sector management by the central banks with its resulting impact on growth and inflation. The response from international participants to the two regular international courses was encouraging as fifty-five nominees from over twenty-five developing countries attended the programs. Further, two courses on Commercial Banking were also organized for officials from Afghanistan International Bank (AIB), besides self-financed regular programs.

9.4.1 Other International Programs

NIBAF continued to host seminars and conferences under the ambit of SAARCFINANCE. As decided during the 5th SAARCFINANCE Coordinators meeting, Research and SME & Micro Finance Departments of SBP in collaboration with NIBAF organized a three-day Seminar on “SMEs Finance” in November, 2006. This program was attended by forty participants from SAARC member countries. The issues pertaining to growth & development of SMEs and regulatory & policy regime aimed towards augmenting flow of credit and financial services to the particular sector were discussed. Beside this NIBAF and CBR jointly organized a special six-month Fast Track Training Program for Afghan Officers.

9.5 Rural Finance Resource Center (RFRC)

The Rural Finance Sector Development Program (RFSDP) aims toward accelerating rural economic growth by addressing the key constraints in Rural Finance (RF). As an implementing agency for RFSDP, SBP established RFRC at NIBAF, entrusted with the task of capacity building at commercial banks, Micro Finance Banks (MFBs) and the NGOs. Focus group meetings were held in collaboration with the strategic partners including European Union, Shore Bank International, Pakistan Bankers Association and Pakistan Microfinance Network etc. In FY07, 4 weeks of trainings were allocated to Rural Finance/Micro/SME, which was attended by 141 participants.

Some of the initiatives adopted are elaborated as follows:

- In collaboration with European Union (EU), Training Needs Survey for MFIs was carried out, which aimed at capturing the views and needs of stakeholders/frontline staff that would benefit from such courses to be offered by RFRC.
- A Consultative Workshop for MFBs was organized in collaboration with EU. Later, Focus Group Discussion was held in March, 2007 to develop the course for MFBs/MFIs. This discussion was aimed at soliciting input of stakeholders on the course material developed and training plan prepared in collaboration with EU-Pakistan Financial Sector Reform Program (PFSRP) and NIBAF for MFBs. The objective of this certification course was to contribute meaningfully toward the development of microfinance sector by building staff capacity at MFBs.

- Meanwhile keeping in view the growing need for training in micro finance, a training program titled Fundamentals of Microfinance was also designed and a pilot program was conducted in June, 2007.
- In collaboration with Pakistan Microfinance Network (PMN) and International Labor Organisation(ILO) an international programme of two-weeks on “Making Microfinance Work: Managing for improved Performance” was also organised. This program focused on a wide range of management tools for an efficient microfinance sector in Pakistan.
- A Training of Trainers (TOT)-Phase-I was organized in June 2007, by trainers from ILO at NIBAF for a selected group of participants, to develop trainers in the area of Microfinance. The second phase of ToT is planned for August,2007.

9.6 Islamic Banking Certificate Course

In view of the need for trainings in Islamic banking, NIBAF designed a 3-week Intermediate to Advance level Certification Course keeping in view the practical requirements of stakeholders. The target group comprised of staff from Islamic banks, commercial banks and the Islamic Banking Branches of commercial banks operating in Pakistan. So far, eight courses have been conducted at NIBAF Karachi & Islamabad. The Course registered success in terms of coverage, training delivery, coordination and administration. These training sessions also included group work on product development, deposit management, process of Murabaha & Ijarah pricing beside case studies regarding Securitization, Sukuk, Diminishing Musharaka (Housing finance), Murabaha and Ijarah etc.

Further, a customized one-week training program on Islamic Banking was arranged in August 2006 for Dubai Islamic Bank. A seminar was arranged in May 2007 in collaboration with INCEIF Malaysia, on “Success Story of Malaysia in Islamic Banking” which was attended by a large number of participants including commercial bankers practicing Islamic banking as well as conventional banking.

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