



NATIONAL FINANCIAL INCLUSION STRATEGY 2024-2028

1st Annual Progress Report (CY25)

Agriculture Credit & Financial Inclusion Department
State Bank of Pakistan

NFIS28 At A Glance

The implementation of National Financial Inclusion Strategy (NFIS) 2024–2028 was commenced in January 2025 with a vision to improve the social and economic wellbeing of masses in Pakistan. The strategy is structured around five key strategic goals to achieve the NFIS28 objective of *improving usage and quality of financial services while extending financial access to all*. The strategic goals are:

SG1	Expanding the availability and usage of financial services in unserved and underserved areas
SG2	Promoting secure and easy digital financial services
SG3	Enhancing priority sector financing ecosystem
SG4	Strengthening capabilities and role of financial institutions
SG5	Enhancing consumer protection, empowerment and awareness

A detailed action plan was also chalked out, with total 52 actions corresponding to each strategic goal. The strategy also sets the headline targets to increase the level of financial inclusion to 75 percent and reduce the gender gap to 25 percent by 2028, among others.

Key Achievements in CY25

Within a year of implementation of NFIS28, 6.8 million new unique accounts were added in the banking system, of which more than 55% were women. The key achievements that supported financial inclusion during CY25 include:

- Pakistan has joined the ranks of countries collecting and dashboarding granular, **district-level data** on financial inclusion indicators including deposits, access points, loans, etc.
- Expanding ease of access to financial services through special initiatives like **cashless economy**, agent interoperability and operationalization of digital banks.
- Enablement of seven **Digital Model Villages** across various jurisdictions through digital onboarding of customers and merchants, digital infrastructure deployment (ATM, QR Code), and financial literacy dissemination.
- Successful deployment of **Raast Person to Merchant (P2M)** use-case by on boarding over 2 million merchants, now accepting digital payments through QR code.
- Launch of **Zarkheze-Asaan Digital Qarza**, the country's first end-to-end digital agriculture lending platform, providing in-kind, collateral free loans in minimal processing time.
- Development of **Pakistan Financial Inclusion Index (P-FII)** that offers a glimpse of the country's true level of financial inclusion, comparable to international benchmarks.
- Advancing financial literacy among the population emerged as a key strategic priority of SBP, reinforced through the implementation of **National Financial Education Roadmap 2025-29**.
- **Integration of financial literacy into national curriculum** is progressing significantly, marked by completion of major milestones including finalization of SLOs, curriculum mapping, and development of model chapter outlines.

NFIS28 Implementation Progress

This section presents the progress of NFIS28 action plan and headline targets during January to December 2025.

A. Progress Update on NFIS28 Action Plan

Of the total 52 actions, 10 actions have been completed as of December 2025. Progress on the remaining actions is largely on track. A snapshot of the action plan, according to the implementation timelines and the progress thereof, is provided below:

Timelines	No. of Actions	Progress Update		
		Completed	As per Timeline	Behind Timeline
Short term (By Dec. 25)	3	2	-	1
Medium term (By Dec. 26)	23	5	18	-
Long term (By Jun. 28)	26	3	23	-
Total	52	10	41	1

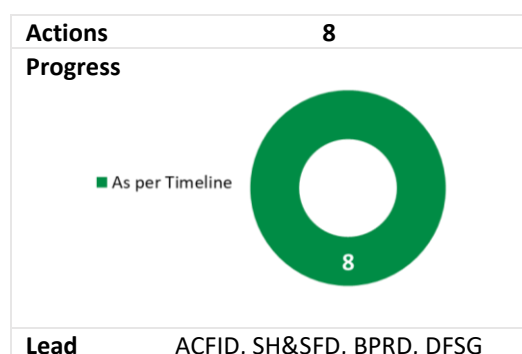
Detailed progress on each strategic goal is as under:

Strategic Goal 1: Expanding the Availability and Usage of Financial Services in Unserved and Underserved Areas

To achieve the financial inclusion target, specific actions were taken to increase access and usage of financial services by identifying financially unserved or underserved areas, developing physical and digital infrastructure, and expanding account ownership and agent networks for individuals and small businesses.

The notable progress under this SG is as below:

- Collection of **district-wise** data of banking indicators on quarterly basis, with SDSD.
- Development of draft revised **Branch Licensing Policy**.
- Making **account opening drives** as a part of SBP's initiative i.e. 'cashless economy' undertaken by FIRD across Pakistan.
- Holding of a two-day workshop with WE Finance Code signatory banks for developing actionable strategies for **gender-intelligent product innovation**.
- Completion of pilot on **agent interoperability model** and further scale-up on commercial basis is in progress.
- Roll out of a pilot project to develop **model digitally enabled villages**, one in each SBPBSC jurisdiction.

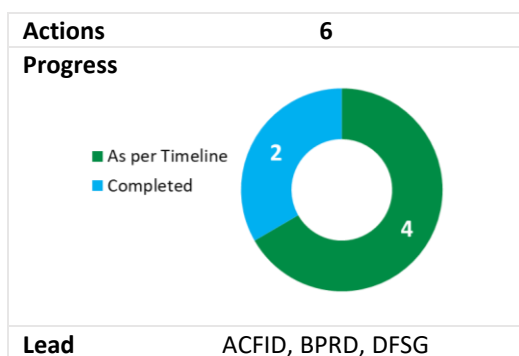


Strategic Goal 2: Promoting Secure and Easy Digital Financial Services

To overcome the heavy reliance on cash and promotion of digital transactions, actions were taken for expansion of interoperable payment systems, increased adoption of mobile wallets, and integration of digital payments across sectors.

Completed actions include:

- Enablement of retail payments through **Raast P2M**.
 - Over 2.1 million merchants have been onboarded on Raast, enabling digital payments through QR codes.
- Establishment of **Regulatory Sandbox** in May 2025, to encourage development of innovative digital financial products and services.

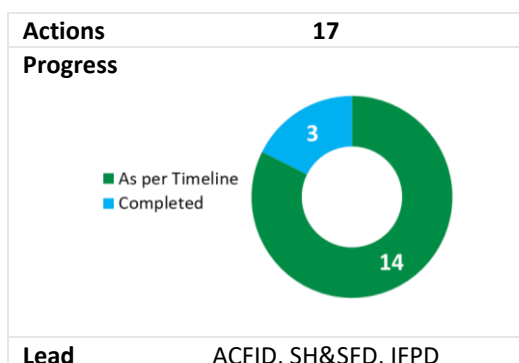


Strategic Goal 3: Enhancing Priority Sector Financing

To promote inclusive economic growth, actions were targeted towards improving the priority sector financing ecosystem that is in line with evolving international practices, leverages digital technologies for credit penetration and supports economic wellbeing of the rural/low-income masses.

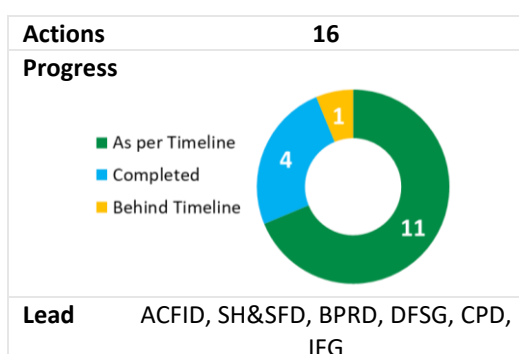
Completed actions include:

- Development of end-to-end digital agriculture lending platform named **Zarkheze-Asaan Digital Qarza**.
 - The Zarkheze platform is digitally available to all crop farmers countrywide.
 - 21 banks and approx. 10,000 vendors/merchants have joined the zarkheze platform.
 - 22,339 farmers have registered on the platform and cases amounting to Rs. 1.9 billion have been approved.
- Roll out of **Digital Score Card** Model to banks/DFIs for low-cost housing finance.
- Study report on best practices on “**International Best Practices on Climate Smart Agriculture & SME Financing and Recommendations for the Banking Industry of Pakistan**” and shared it with banks.
- Revision of **Prudential Regulations** for Micro and SME financing.



Strategic Goal 4: Strengthening Capabilities and Role of Financial Institutions

Development of a dynamic financial sector landscape relies heavily on supportive policy environment and data driven decision making. In this backdrop, specific actions were taken to modernize the existing policy and regulatory frameworks, while strengthening capabilities of the institutional workforce, and granular data collection to strengthen oversight and support evidence-based policy making.



Completed actions include:

- Development of **Digital Financial Literacy Strategy** to increase outreach and create awareness about digital financial products & services, digital financial risks, risk controls, and consumer rights/redress procedure (part of National Financial Education Roadmap 2025-29).
- Completion of a comprehensive study titled **“Knowledge, Attitude and Practices Survey”** to identify demand and supply side issues of Islamic banking to increase penetration.
- Issuance of **Pakistan Green Taxonomy (PGT)**.
- Development and dissemination of **Pakistan Financial Inclusion Index (P-FII)**.

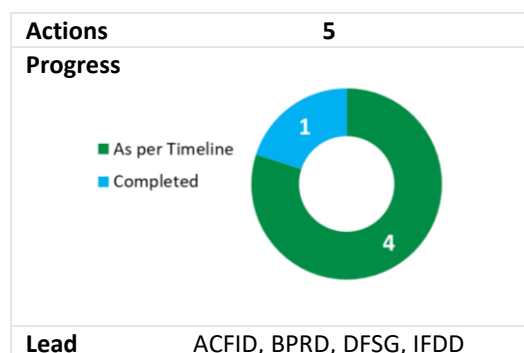
Note: The only action that is falling behind timeline is the *“Development of Financial Inclusion Dictionary”*. To date the concepts and terms have been identified, after careful review of domestic and international FI dictionaries and databases. Upon the concurrence of the relevant departments, the action is expected to be completed by September 2026.

Strategic Goal 5: Enhancing Consumer Protection, Empowerment and Awareness

Enhancing adoption of formal financial services, particularly digital financial services require building trust, confidence and competence of the consumers. To achieve this, actions were taken to improve banking conduct, create awareness of customers’ rights and responsibilities, and enhance financial literacy of the masses.

Completed actions include:

- Issuance of the **National Financial Education Roadmap 2025-29 (NFER)** that adopts a holistic approach to promote financial literacy across various segments using both physical and digital means.



Progress Update on Headline Targets

NFIS28 headline targets met all the yearly targets for the duration. The financial inclusion level increased to 69% and gender gap reduced to 29%. Priority sector lending also increased substantially from the baseline evident in terms of their increased share in private sector lending. Share of digital payments in overall transactions also jumped to 70%.

The table below presents the overall progress on the headline targets as of December 2025:

Indicators	Baseline	Targets	Progress
	(Dec. 2023)	(Jun. 2028)	(Dec. 2025)
Financial Inclusion			
I. Financial inclusion level	64%	75%	69%
II. Gender gap in financial inclusion	34%	25%	29%
Priority Sector Lending			
Share of Financing in Total Private Sector Credit			
Microfinance	5%	7%	5%
Agri Finance	9%	12%	11%
SME Finance	6%	10%	8%
Digital Payments			
Share of e-payments transactions in total payments (excluding ATM cash withdrawals)	~50% (at end June 2023)	>80%	70%