



External Relations Department

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Governor urged banks to accelerate lending activities in Khyber Pakhtunkhwa

Governor SBP addressed a joint meeting of banks' CEOs and Chambers of Commerce at Peshawar. He urged the banks top management to acknowledge the changing business conditions of KP province and should accelerate the pace of its credit expansion and other trade facilitation activities in the province.

He was addressing a discussion session on credit expansion in KP with the representatives of KP chambers of commerce/ business community, FPCCI and presidents of banks at a local hotel in Peshawar today.

Governor stated that our banking industry has been playing its role for increasing economic activity not only through channelizing funds but through other banking services. He however expected that further improvement will also be brought in the quality of services and products.

Adding further, the Governor mentioned that the unfavorable security situation in KP province has adversely affected the overall economic environment during the last decade. This environment naturally compelled the financial institutions to exercise extra prudence while taking exposures in the disturbed areas. Besides, the low presence of large-scale industries, relatively smaller size of urban centers and lower demand for financing checked the credit growth in the province.

While addressing a concern shown by the business community representative, he dispelled the impression that there is any red zone and cautioned the banks against any such discrimination. On demand of reactivating advisory committees, he advised the relevant functionaries to reactivate them and ensure their regular meetings.

While acknowledging the sacrifices of KP people, the Governor offered full support to the KP business people. He categorically mentioned that personal accounts cannot and should not be used for business purposes.

The president KP Chamber of commerce, Zulfiqar Ali Khan, apprised the forum about difficulties faced by the business community. Other representatives of business community also shared the challenges faced by them.

Speaking on the occasion FPCCI president, Abdul Rauf Alam pointed out the potential opportunities on lifting of UN sanctions on Iran. Governor emphasized upon the banks to restore correspondent relationship and SWIFT code with eligible Iranian banks as early as possible to facilitate trade between two brotherly neighboring countries.

Earlier in the morning Governor Wathra called upon the Chief Minister KP, Pervez Khattak and his team to discuss ways and means to enhance banking activities, financial inclusion and the challenges faced by the business community. He was accompanied by senior officials of the State Bank. He also had a meeting with the Governor KP, Iqbal Zaffar Jhagra.
