



Policy for Promotion of Low Cost Housing Finance - Soliciting Public Comments on Draft Policy

Housing sector in various economies serves as an engine of economic growth. It has the potential to generate employment, increase productivity, raise standard of living and alleviate poverty.

Pakistan, like other developing countries, has been facing shortage of housing units; and this basic human need is felt more profoundly at the bottom-of-the-pyramid comprising of the poor and financially under-served segments of the society. One of the key constraints hampering supply of housing units is the unavailability of financing.

In order to address this issue, State Bank of Pakistan (SBP), in consultation with relevant stakeholders, has developed a policy for promotion of low cost housing finance in Pakistan. The formulation of policy for low cost housing is an attempt to resolve issues faced by the mortgage industry. The policy has been formulated keeping in view international best practices and local market conditions. Focus of the policy is on regulatory incentives, risk mitigation mechanism for financial institutions and mechanism to address the issue of affordability for low-income borrowers.

For soliciting public comments, the draft of Policy for promotion of low cost housing finance has been placed on the official website of the SBP and is accessible at:

<http://www.sbp.org.pk/sme/d/2018/Policy-Promotion-Low-Cost-Housing-Finance.pdf>

Public comments received within a period of **fifteen days** will be considered before finalizing the policy.

The comments should be addressed to:

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