



External Relations Department

ERD/M&PRD/PR/2019-03

January 10, 2019

State Bank of Pakistan wins the global award as the best Central Bank in Promoting Islamic Finance

State Bank of Pakistan (SBP) has won the global award as the best Central Bank in promoting Islamic finance for the year 2018. The coveted award is conferred by Islamic Finance News (IFN), an arm of REDmoney Group, Malaysia. IFN Best Banks Poll is regarded as one of the most prestigious accolades in the Islamic finance industry.

The IFN Award as the best central bank for promotion of Islamic finance is the global endorsement of SBP initiatives for promotion of Islamic banking in the country. The award reflects an international recognition of the strategic measures which SBP is undertaking to put in place a robust policy environment for Islamic banking to prosper.

The category of the Best Central Bank in Promoting Islamic Finance is always one of the most closely fought contests with regulators battling for the supremacy through exceptional advances made, during the year, in the field of regulation and standardization. SBP is honored to have won this award for the third time in last four years. Previously, SBP was bestowed with this coveted award earlier in 2015 and 2017.

Islamic banking industry in Pakistan has witnessed an impressive growth in 2018 with its assets reaching 12.9% of banking sector and deposits accounting for 14.8% of the total banking industry deposits. "The support of Pakistan's central bank is driving progress in the wider Islamic banking sector, and the country's Shariah compliant institutions are posting impressive results", IFN quoted.

It may be noted that the last year continued to see growing interest from the players wherein industry footprints kept on enlarging with two new institutions getting license to offer Islamic banking products and services. SBP also introduced Shariah compliant version of Long Term Financing Facility (LTFF) enabling Islamic banking customers to avail subsidized financing from Islamic banks for setting up export oriented projects. Certain measures were also undertaken to augment the regulatory framework for Islamic banking industry besides taking initiatives for enhancing capacity levels to facilitate development of human resource for this ever growing market.

It is pertinent to mention that Islamic banking industry in Pakistan is also receiving continued support of the Government of Pakistan.
