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Top Banks Recognized for Advancing Agricultural Finance Literacy in Pakistan

July 24, 2025

– Categories: Finance



In a country where agriculture remains a lifeline for millions, bridging the gap between rural farmers and financial services is both a necessity and a challenge. On Wednesday, the *State Bank of Pakistan, Banking Services Corporation* (SBP BSC), held a recognition ceremony to honor banks that have shown outstanding performance in the *Agriculture Finance Literacy Program* (AFLP). The event served not only as an

acknowledgment of these banks' achievements but also as a spotlight on the growing importance of financial awareness in rural sectors.

Launched in 2023 with backing from the *Agriculture Credit and Financial Inclusion Department (AC&FID)* of the SBP, the AFLP was designed to help farmers, especially women, first-time borrowers, and marginalized communities understand formal credit systems and make informed decisions. This year, the program saw measurable growth, with over 6,300 awareness sessions conducted nationwide. These efforts reached more than 105,000 previously unbanked farmers, including upwards of 10,000 women.

The push for outreach in underserved regions was particularly notable. Of the sessions held, more than 3,200 were in remote or less-developed areas, and over 400 were actively monitored by SBP BSC field offices to ensure consistent quality. It's a move that shows attention to not just quantity, but accountability, a rare standard in public initiatives.

What makes this program more than just a bureaucratic checkbox is its tangible impact. Following these sessions, over 18,000 farmers successfully obtained agricultural loans, amounting to disbursements of more than Rs. 21.47 billion. Perhaps most importantly, the loan conversion rate, a key metric for measuring effectiveness, increased dramatically from just 4% in the program's first year to over 17% in its second.

Executive Director of SBP, Syed Samar Husnain, in his address at the ceremony, praised the awarded banks for their commitment and highlighted the broader significance of the initiative. "Financial inclusion begins with awareness, not just access, and literacy is the key to converting that awareness into action," he stated.

The event was attended by senior officials from the State Bank of Pakistan and SBP BSC, representatives of the banking sector, and those involved in the program at the grassroots level. While the current government's broader performance may remain under scrutiny, especially regarding inflation and employment, this specific sectoral push by the central bank demonstrates that targeted, technocratic efforts can still move the needle.

Programs like the AFLP underscore how institutional reforms, rather than sweeping populist measures, can lead to long-term benefits. But the question remains whether such initiatives will be scaled and sustained without being undermined by shifting political priorities or bureaucratic stagnation. In a landscape where financial responsibility is often sidelined, the AFLP stands out as a pragmatic step in the right direction.

