NATIONAL INSTITUTE OF BANKING AND FINANCE
NIBAF Pakistan
EMPOWERING FOR EXCELLENCE

IMPLEMENTING SBP's NEW SME FRAMEWORK

WHAT BANKERS MUST CHANGE ON GROUND

SEPTEMBER 10, 2026 | **9 AM to 5 PM** | **F2F, Rahim Yar Khan**

COURSE OVERVIEW

This training is designed to help bankers translate SBP's regulatory intent into day to day banking practices, covering changes in SME definition, credit appraisal, documentation, risk management, portfolio controls, use of technology, and customer engagement.

TRAINING OBJECTIVE

The objective of this training is to equip bankers with a clear understanding of SBP's revised SME Prudential Regulations and enable them to implement these changes effectively at the operational level. Ultimately, the program aims to ensure regulatory compliance, improve credit decision quality, and support sustainable growth of the SME portfolio in line with SBP's financial inclusion agenda.

FEE:
PKR 18,000/-
per participant
(excl. tax)

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TRAINING CONTENTS

Why SME Banking Must Change Now

- Pakistan's SME landscape: missed opportunity vs potential
- Why traditional banking models are failing SMEs
- SBP's vision: from collateral-based lending → cash-flow based lending
- Key message: SME is not charity, it's smart banking.
- Understanding SBP's New SME Framework

From Policy to Practice

- Key pillars of SBP SME framework:
- Simplified lending processes
- Digital onboarding & credit scoring
- Portfolio-based approach vs individual lending fear
- Regulatory expectations:
- SME targets
- Responsible lending
- Financial inclusion metrics
- Common misunderstanding by bankers (myths vs reality)
- Ground Reality: What Must Change in Branch Banking

Mindset Shift & Behavioral Change

- From:
  "Avoid risk" → "Price and manage risk"
  "Asset-based lending" → "Cash-flow understanding"
- New role of Branch Manager:
- Business development leader, not file approver
- Relationship Manager transformation:
- From form filler → financial advisor
- Identifying bankable SMEs beyond documentation bias
- Interactive Exercise
- Case comparison:
- Rejected SME vs Potential SME (hidden opportunity)

How to Lend Without Perfect Financials

- Cash flow-based lending techniques:
- Bank statement analysis
- Turnover estimation
- Industry proxies
- Alternative data usage:
- Utility bills, digital payments, inventory cycles
- Risk mitigation tools:
- Partial guarantees
- Portfolio diversification
- Early warning signals in SME lending
- Case Study Workshop
- Evaluate a real SME case using simplified cash flow model
- Building a Winning SME Portfolio

From Single Loan Thinking to Portfolio Strategy

- Why NPL fear is blocking growth
- Portfolio approach:
- Spread risk vs avoid risk
- Sector-focused SME lending
- Agriculture allied businesses
- Trading & wholesale markets
- Small manufacturing units
- Setting internal branch-level SME strategy
- Execution Roadmap & Closing

What You Will Do Differently From Tomorrow

- 5 immediate actions for bankers:
- Start meeting SMEs outside branch
- Replace collateral discussion with business discussion
- Use bank statements as primary assessment tool
- Build SME pipeline actively
- Track SME portfolio, not individual fear

TARGET AUDIENCE

- Branch Managers
- Credit Officers
- Relationship Managers
- Risk & Compliance Teams

FACILITATOR'S

Mr. Mughees Raza Malik
Senior Vice President-NBP

Mr. Malik is a seasoned banking professional with over 30 years of experience in Credit Risk Management, Regulatory Compliance, and Business Leadership. He has been a certified trainer with NBP Staff College and the Institute of Bankers Pakistan (IBP) since 2010, known for delivering practical, insight-driven learning experiences.

He has held senior roles at National Bank of Pakistan, including General Manager – Business, Regional Compliance Officer, and Head of Agriculture Finance. Currently serving as RE Credit, he has led large-scale credit portfolios and driven improvements in risk assessment and operational efficiency.

Core Expertise: Credit Risk Analysis | AML/CFT (CAMS Certified) | SME & Agri Financing | Corporate Lending | Banking Governance | Leadership & Soft Skills

Training Manager:
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