**Financial Support for Businesses**

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|  | State Bank of Pakistan  (Banking Policy & Regulations Department) | **REGULATORY RELIEF TO DAMPEN THE EFFECTS OF COVID – 19**  **BPRD Circular Letter No. 12 of 2020** | In order to dampen the adverse effects of COVID-19, the State bank of Pakistan has reduced the Capital Conservation Buffer (CCB) for the time being, from its existing level of 2.50% to 1.50%, till further instructions and enhanced existing regulatory retail portfolio limit of Rs. 125 million to Rs. 180 million | 26-03-2020 |
|  | State Bank of Pakistan  (Infrastructure, Housing & SME Finance Department) | **Relaxations to Exporters under Export Finance Scheme (EFS)/Islamic Export Refinance Scheme (IERS) and Long Term Financing Facility (LTFF)/Islamic Long Term Financing Facility (ILTFF)**  **IH&SMEFD Circular No. 05 of 2020** | In view of the challenges being faced by the export sector in post-COVID – 19 scenario, the following relief is being provided to customers under EFS/IERS and LTFF/ILTFF:  **Relief under EFS/IERS:**  Six months extension in shipment period has been allowed for those Part-I loans, in which shipment is falling due from January 2020 till June 30, 2020.  Exporters availing EFS under Part-II are required to show at least 2 times matching export performance against financing availed during FY 2019-20 on daily average product basis. This has been reduced to 1.5 times. Likewise, export performance requirement for FY 2020-21 will also be 1.5 times.  **Relief under LTFF/ILTFF:**  Exports requirement for availing financing facility during the period from January 01, 2020 to September 30, 2020 has been reduced from USD 5 million or 50% exports of total sales to USD 4 million or 40% exports of total sales  One year additional period for export performance requirement under projected exports has been allowed for each category | 20-03-2020 |
|  | State Bank of Pakistan  (Exchange Policy Department) | Revision of Instructions regarding Making and Dispatch of Shipping Documents by the Exporters  **EPD Circular Letter No. 05 of 2020** | Authorized Dealers (ADs) may allow making of shipping documents in the name of the foreign importers and dispatch of the same by the exporters directly to the foreign consignees or their agents in the country of final destination by issuing a certificate as per the proforma of the Appendix V-12A to the carriers (ships, airlines, trucks, railways etc.) subject to the terms and conditions stated in the said EPD Circular. |  |
|  | State Bank of Pakistan  (Exchange Policy Department) | Amendment in Instructions regarding Advance Payment against Imports  **EPD Circular Letter No. 04 of 2020** | In order to further facilitate the manufacturing & industrial concerns, the above instructions have been modified. Henceforth, Authorized Dealers are allowed to effect advance payment up to USD 25,000/-, or equivalent in other currencies, per invoice on behalf of manufacturing & industrial concerns and commercial importers for import of raw material, spare parts and machinery, for ultimate use by manufacturing & industrial concern | 19-03-2020 |
|  | State Bank of Pakistan  (Infrastructure, Housing & SME Finance Department) | **Islamic Temporary Economic Refinance Facility (ITERF)**  **IH&SMEFD Circular No. 02 of 2020** | In order to support sustainable economic growth especially in the backdrop of challenges being faced by the industry in post-pandemic scenario, State Bank of Pakistan (SBP) has introduced Islamic Temporary Economic Refinance Facility (ITERF) up to Rs.5 Billion per project. The facility will provide concessionary refinance for setting up of new industrial units. | 17-03-2020 |
|  | State Bank of Pakistan  (Infrastructure, Housing & SME Finance Department) | **Temporary Economic Refinance Facility (TERF)**  **IH&SMEFD Circular No. 01 of 2020** | In order to support sustainable economic growth especially in the backdrop of challenges being faced by the industry in post-pandemic scenario, State Bank of Pakistan (SBP) has introduced Temporary Economic Refinance Facility (TERF) up to Rs.5 Billion per project. The facility will provide concessionary refinance for setting up of new industrial units. | 17-03-2020 |