

press release

Standard Chartered Bank and International Finance Corporation launch Partnership to support the growth of Small and Medium Enterprises (SME) in Pakistan

Davos: Standard Chartered and International Finance Corporation (IFC), a member of the World Bank Group, signed an agreement in Davos, Switzerland, at the World Economic Forum to launch a pilot programme to support the training and growth of Small and Medium Enterprises (SME) in Pakistan. The agreement was witnessed by Minister of State for Finance and Economic Affairs, Ms. Hina Rabbani Khar.

The programme is Standard Chartered's response to the UK Prime Minister, Gordon Brown's Millennium Development Goal Business Call to Action and will include innovative financial products, skills development, business mentoring and research to help small SMEs fulfil their growth potential.

The SME sector is the engine of growth for economies worldwide. According to the State Bank of Pakistan, 99 per cent of enterprises in Pakistan are SMEs and SMEs account for 30 per cent of Pakistan's GDP. As yet the sector's full potential is far from realised.

The pilot project will be launched in March 2009, in Lahore, Gujranwala, Sialkot and Faisalabad, targeting more than 100 entrepreneurs in these cities.

International Finance Corporation will be Standard Chartered's primary partner in delivering the programme. IFC have trained and certified trainers to use their leading Business Edge material and translated it into Urdu for use in Standard Chartered's workshops.

Standard Chartered Pakistan, the largest and fastest growing international bank in the country, with a large SME business, has identified different SME business segments to focus the training on. Standard Chartered will also identify the participants from these sectors for the workshops. Furthermore, the Bank will explore the potential to provide tailor-made financial products for participating entrepreneurs, in line with the Bank's SME credit strategy.

Commenting on the agreement Peter Sands, Group Chief Executive, Standard Chartered said, "Too large to qualify as micro-enterprises and donor support, and too small to be targeted by most commercial banks, many small SMEs are chronically underserved. This programme will provide small and underserved SMEs with innovative banking products; help develop their skills in critical areas such as business planning and product marketing; and provide them with business mentors. We are delighted that the IFC, whom we see as leaders in business development support for SMEs, are our primary partners in delivering this MDG Business Call to Action commitment. We have been operating in Pakistan since 1863 and have an unrivalled knowledge and experience of the market and the SME sector."

Lars Thunell, IFC Executive Vice President and CEO said, "Small businesses are major creators of jobs, and a job is the best safety net for the poor. Many small business owners need help to manage and market their businesses. This program with Standard Chartered will help Pakistani entrepreneurs expand their companies and run them more successfully,"

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Note to editors

Standard Chartered Pakistan – the best locally embedded international Bank in Pakistan

Standard Chartered is the largest and fastest growing International Bank in Pakistan. The Bank has been operating in Pakistan since 1863 when it first established its operations in Karachi.

Standard Chartered now employs over 3200 employees and has a branch network of 164 branches across 41 cities in the country. The bank also manages a network of over 5,500 Point of Sale (POS) machines, and 206 ATMs. Standard Chartered's core businesses in Pakistan are in Consumer Banking and Wholesale Banking.

Standard Chartered Pakistan is the first international bank to get an Islamic Banking license and to open the first Islamic Banking branch in Pakistan and has been given credit ratings of AAA/ A1+, the *highest long-term rating assigned by PACRA to any private sector commercial bank*.

The Bank's efforts have been recognized by independent and credible authorities; we won "Bank of the Year 2008 – Pakistan" award from The Banker Magazine, Asian Banker Journal award for the "Best Retail Bank in Pakistan 2008" and the "Sovereign Deal of the Year – 2008" award and "Pakistan Deal of the Year – 2008" award by the Islamic Finance News.

For more information, visit: www.standardchartered.com.pk

About IFC

IFC, a member of the World Bank Group, creates opportunity for people to escape poverty and improve their lives. We foster sustainable economic growth in developing countries by supporting private sector development, mobilizing private capital, and providing advisory and risk mitigation services to businesses and governments. Our new investments totaled \$16.2 billion in fiscal 2008, a 34 percent increase over the previous year.

For more information, visit www.ifc.org