



ABA E-Newsletter

Da Afghanistan Bank Press Conference on SIGAR Report

On January 11, 2014, Da Afghanistan Bank (DAB) organized a press conference in response to the audit report of Special Inspector General for Afghanistan Reconstruction (SIGAR) on Afghanistan banking sector issued in January 2014. Mr. Khalil Sediq, ABA Chairman, senior officials of ABA member banks, DAB officials and representatives from both local and international media were present in the conference. The press conference was chaired by H.E. Mr. Noorullah Delawari, DAB Governor. Other panelist included Mr. Khan Afzal Hadawal, DAB's First Deputy Governor, Mr. Khalil Sediq, ABA Chairman and Mr. Matiullah Faeq, DAB's Director General, Financial Supervision Department (FSD). The press conference was specifically aimed to respond to the recent audit report issued by SIGAR.

H.E. Mr. Delawari rejected the report mentioning that the audit report was issued without any consultation with and technical comments from DAB. He highlighted that the report does not reflect reality and is issued without any consultation with DAB although DAB had appropriate and convincing answers to the points highlighted in the report. He added that Afghanistan banking sector has been growing significantly and enjoying strong technical back up from international community specifically from International Monetary Fund (IMF) and World Bank. He described that such reports by SIGAR should be shared and coordinated with DAB before they are issued publically. He also mentioned that it's not the job of SIGAR to write on Afghan banking sector. Mr. Delawari reiterated that the banking sector is on a right path and he has been investing in strengthening the capacity of DAB to bring further improvements in financial supervision.

Mr. Matiullah Faeq, DAB's Director General, FSD presented in brief the developments and outlook of Afghanistan banking sector in which he emphasized that Afghanistan banking sector remains profitable, highly liquid and adequately capitalized. He further added that after the implementation of DAB strategic plan, financial supervision standards will be comparable with those of the European countries.



DAB Press Conference on SIGAR Audit Report, Governor Hall, DAB-January 11, 2014

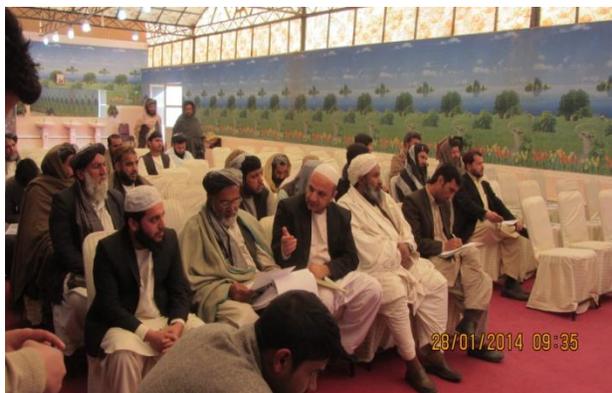
Access to Finance (A2F) Business to Banks Roundtables

ABA with the support from USAID's Financial Access for Investing in the Development of Afghanistan (FAIDA) Project continues to link its member banks and entrepreneurs throughout Afghanistan. Two days Business to Banks Roundtable was organized in the province of Kandahar during January 28-29, 2014 with the aim of facilitating the banking industry credit offering for business expansion and exchanging views on the regulatory environment for businesses as a whole.

Kandahar Access to Finance(A2F) Business to Bank Roundtable

Kandahar A2F Business to Bank (B2B) Roundtable was held between ABA member banks, microfinance institutions and Kandahar businesses during January 28-29, 2014 in Spozhmai Saloon, Kandahar city. The event was coordinated with Kandahar Industrial Association and the businesses were invited from various sectors operating in Kandahar. On the first day of the event, 59 participants (3 women) attended the event from businesses, ABA member banks and microfinance institutions (MFIs). The participants were addressed by Mr. Assadullah Khan, Director of Directorate of Commerce and Industries (DoCI) and Mr. Fazul Haq Meshkani, Deputy Director of Kandahar Industrial Association . Subsequent to welcome remarks, A brief presentation was delivered on FAIDA overviews and activities. Similarly, presentations on credit criteria, access to finance, credit procedures and various products and financial services were given to the roundtable participants in separate presentations by Agricultural Development Fund, Afghan United Bank and Islamic Investment Finance Cooperative. In the second half of first day, productive discussions took place between entrepreneurs and ABA member banks and MFIs on the exchange of information and products and services, access to finance and credit procedures.

In the second day of the event, 64 participants attended the event. FAIDA made Presentations on Business Planning and Islamic Finance. At the end, the meeting was wrapped up with comments, suggestions and questions from event participants. Such roundtables play a vital role in reducing gaps between businesses and financial institutions and increase public awareness of banking sector and MFIs products and services. Moreover, it helps in bringing businesses and financial institutions to a common platform where businesses can chose between financial institutions. Overall, such events plays a crucial role in,expanding financial inclusion in Afghanistan where major part of the economy remains informal and helps strengthen relations between financial institutions and businesses. The Roundtable ended with 15 initial loan requests made by businesses operating in various sectors of Kandahar. The total loan amounted requested exceeded USD 3 million.



Event: A2F Business to Banks Roundtable

Venue: Spozhmai Saloon, Kandahar city, Afghanistan

Date: January 28-29, 2014



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ABA Participation in Kabul News TV Nan Roundtable on SIGAR Audit Report

On January 12, 2014, ABA responded to SIGAR report issued in January 2014. Mr. Ahmad Javed Wafa, ABA's Director Economic Research took part in Nan roundtable arranged by Kabul News TV channel. The other roundtable participants included H.E. Mr. Noorullah Delawari, DAB Governor and Mr. Mohibullah Sharifi, an Independent Economic Analyst. Mr. Ahmad Javed Wafa, ABA's Director Economic Research rejected the SIGAR Audit Report on Afghanistan banking sector. Mr. Wafa mentioned that Afghanistan banking sector is in a strong position and the banking sector data published for FY 2012 show that Afghanistan banking sector is highly liquid, adequately capitalized and profitable. He emphasized that banking sector is on the right path. As a supervisory and regulatory authority on Afghanistan banking sector, people should trust DAB as a main source of information rather than SIGAR. At the end, he said that to have detailed information on banking sector updates, people should visit DAB main website for quarterly and annual macroeconomic and banking sector bulletins.

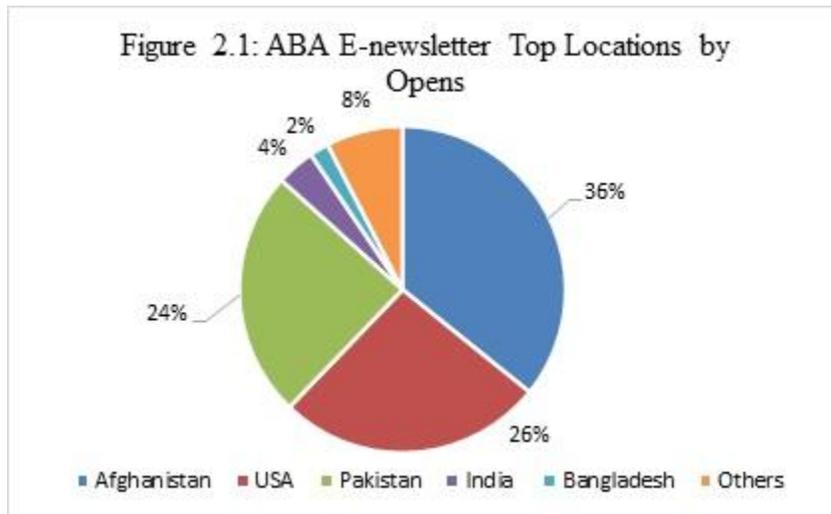
The Banker Award 2012 & 2013

The Banker Magazine of Financial Times (FT) declared Afghanistan International Bank (AIB) as a best bank in Afghanistan for second year in succession at the Banker Award Ceremony in London on November 28, 2013. Mr. Khalil Sediq, ABA Chairman and CEO AIB accepted the award on behalf of AIB.



ABA January E-newsletter

On January 08, 2014, ABA released fourth issue of ABA E-Newsletter to its member banks, private sector business and government organizations in Afghanistan. In addition to local subscribers, ABA E-newsletter has subscribers from various countries. E-Newsletter is mainly targeting professionals/interested parties in Afghanistan banking sector. The E-newsletter included brief highlights on online Public Credit Registry Launch Ceremony, New Kabul Bank Bid Submission Event, Access to Finance Business to Banks roundtables, The Banker Award 2012 & 2013 and introduction of ABA new staff. It also covered ABA upcoming activities and events. The fourth issue top locations by opens are depicted in the following figure 1.1:



ABA Printed Newsletter

To provide update information and news on banking sector to its member banks and other stakeholders, ABA has released its first Voice of the Banks (VoBs) printed newsletter for the fourth quarter of 2013. VOBs is providing update information in local official languages (Dari & Pashto) to its member banks and other stakeholders. VOBs is accessible online through the following link:

<http://www.aba.org.af/aba/pdfcontent.php?lang=en&content=Publications>

ABA Official Facebook Page

ABA is taking strong steps in expanding its communication networks and implementing its communication strategy. To expand its communication networks, ABA opened official Facebook page on December 14, 2013. The page is sharing update information on banking sector developments, updates and promotional information with more than 2200 subscribers. The page is accessible through the following link:

<https://www.facebook.com/pages/Afghanistan-Banks-Association/556634211085352>