

## **21<sup>st</sup> Coordinators' Meeting**

**Address by Mr. Ashraf Mahmood Wathra  
Chairman SAARCFINANCE, Governor State Bank of Pakistan (SBP)**

March 19-20, 2015, Islamabad, Pakistan

Honorable SAARCFINANCE Coordinators, Alternate Coordinators, the Focal Persons from Ministry of Finance and representatives from Ministry of Foreign Affairs, NIBAF, and State Bank of Pakistan.

- 1) It is a privilege to welcome you to the 21<sup>st</sup> SAARCFINANCE Coordinators' meeting, in my capacity as Chairman of the SAARCFINANCE Network. State Bank of Pakistan is indeed honoured to host this Meeting.

Ladies and Gentlemen,

- 2) Since its establishment in 1998, the SAARCFINANCE Network has been playing a pivotal role in promoting economic cooperation in the SAARC region, especially in various areas of central banking and finance, as envisaged in its Terms of Reference. Of course, this is the result of a steady uphill struggle and determination of all SAARC members for excellence. I appreciate the efforts made by this Forum to pursue the objectives of SAARCFINANCE. In this regard, the Coordinators have played an important role.
- 3) Although a wide-range of activities have taken place under the banner of SAARCFINANCE, I would like to highlight some of the recent initiatives undertaken by the Network. These include (1) the availability of short-term liquidity facility for member countries under the SAARC Swap Arrangement, (2) the capacity building programs under the Scholarship Scheme, (3) the exchange of knowledge on issues of mutual interest through SAARCFINANCE Portal, (4) the creation of a regional database, and (5) the collaborative research studies. These steps are a simple demonstration of pragmatism in our approach.

- 4) However, this is merely the beginning of a long journey which requires us to accelerate our efforts to make this Forum more effective. For this purpose, we could need continuing a fresh impetus which may lead us to revisit even our mandate and identify areas where we can further deepen our cooperation. Amongst others, this necessitates an early formulation of a Roadmap for SAARCFINANCE, which can help set future direction of its activities. Therefore, all the member countries should contribute in the formulation process of the Roadmap.
- 5) As already highlighted that SAARCFINANCE Network has taken numerous initiatives over the time. SAARC Payments Council (SPC) is one of such initiatives. The main objective behind the creation of SPC was to establish a regional payment system that benchmark with international standards and could facilitate trade and investment flows in the region. For this purpose, the SPC chalked out a strategy to implement comprehensive reforms in domestic and cross border payment system and settlement system. In this context, they developed a Roadmap and took necessary measures to achieve their ultimate objectives. Since the Council was created by the SAARCFINANCE Network, it deemed appropriate to invite their representatives in the regional Group Meetings to present their report of activities.

Ladies and Gentlemen,

- 6) Economic research is also another important area where we need to pay more attention. The current initiative of collaborative research studies by member countries is indeed worth appreciating. However, the Coordinators would need to suggest modalities for the conduct of joint studies, which should not only ensure timely completion of the proposed studies but could also help improve capabilities of researchers who are lagging behind in different areas of economic research. In this context, we can also benefit from advanced IT infrastructure available in central banks and organize capacity building programs for researchers. Similarly, the Coordinators should suggest those topics for studies which could benefit the SAARC region.

- 7) Harmonization of banking legislations is also an important area where we can enhance our cooperation, as it can help augment the efforts being made for strengthening of economic and financial integration in the region. In this context, the regional central banks can join hands with other SAARC bodies and enhance coordination with them, especially with SAARC Chamber of Commerce and Industry, as it is engaged in promoting cross border trade and investment flows.

Ladies and Gentlemen,

- 8) In this age of globalization and regionalization, social welfare is a shared responsibility. Today's economies cannot flourish in isolation. Similarly, we cannot undermine the importance of geographical proximities in determining the path towards regional economic prosperity. In this backdrop, we need to work together to promote welfare of the masses. I believe that economic cooperation among member states is the only way forward to promote collective welfare of the region.
- 9) I believe that regional forums, such as SAARCFINANCE, can play an important role in promoting cooperation amongst the member countries. In this spirit, I hope that you would have a lively discussion on issues of regional significance during the course of this Meeting.

Ladies and Gentlemen,

- 10) I wish you a pleasant and memorable stay in this beautiful city of Islamabad and leave you in the capable hands of our Chief Economic Advisor Dr. Mushtaq Khan and our SAARCFINANCE Coordinator.

Thank you!