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Responsible Banking Conduct is an imperative for Sustainable Growth: Deputy Governor, SBP

Deputy Governor, State Bank Mr. Saeed Ahmad has called for a cultural transformation in banks to ensure responsible banking conduct as a prerequisite of persistent inclusive growth.

Mr. Ahmad was giving his inaugural address in a seminar titled, "Responsible Banking Conduct" at National Institute of Banking and Finance (NIBAF) Islamabad. The Deputy Governor stated that the foundation of financial consumer protection must ideally rest on self regulation where banks have it in their conscience a clear concern in nurturing well informed consumers capable of making right and sustainable choices.

He stressed that responsible banking conduct cannot be achieved merely by ring-fencing consumer protection within the compliance function. Instead, the entire bank – right from the board to the frontline managers – has to be responsive to this objective. The Deputy Governor further emphasized that in order to win the trust of stakeholders; consumers must not only be treated fairly but be seen to be treated fairly.

Mr. Ahmad added that customer empowerment is part of SBP financial inclusion strategy and it will devote adequate resources to implement the strategy; however banks also need to join us and augment our efforts to promote financial literacy and consumer awareness.

Local and foreign experts also shared their views on Responsible Banking Conduct, its importance, linkages with financial inclusion & financial stability, conduct risk, industry good practices etc. The seminar was attended by the top management of banks and representatives of other relevant stakeholders like Pakistan Bankers Association, Pakistan Microfinance Network and Securities and Exchange Commission of Pakistan.
