



Deputy Governor SBP for managing risks to stability of financial sector

Deputy Governor, State Bank of Pakistan, Mr. Riaz Riazuddin has emphasized on managing the risks to stability of the financial sector for maintaining un-interrupted availability of financial services, raising investors' confidence and enhancing reach of financial access to potential areas. He has stressed upon the need for putting in place effective financial stability framework and enhancing the cross boarder supervisory corporation.

Mr. Riazuddin was addressing the inaugural session of the seminar on "Financial Stability" being hosted by the State Bank of Pakistan (SBP) from 27th to 28th March, 2017 under the auspices of SAARCFINANCE Forum at National Institute of Banking and Finance (NIBAF), Islamabad. The SAARCFINANCE is a network of Central Bank Governors and Finance Secretaries of the SAARC region established to share experiences on macroeconomic policy issues among member countries including Pakistan, India, Bangladesh, Sri Lanka, Bhutan, Maldives, Nepal and Afghanistan.

The seminar on Financial Stability was attended by around 40 mid to senior level officials from five central banks of SAARC member countries and Securities and Exchange Commission of Pakistan (SECP). Local and foreign financial sector experts from Pakistan, multilateral agency and foreign banks shared views on topics related to financial stability and the role of central banks and financial institutions.

While welcoming the participants, Mr. Amer Aziz, Managing Director, NIBAF, highlighted the facilitating role played by NIBAF, in collaboration with SBP, in arranging such seminars. He stressed upon the participants to engage in lively discussions with the speakers and among themselves to gain maximum benefits from the seminar on "Financial Stability".



External Relations Department

Mr. Jameel Ahmad, Executive Director, State Bank of Pakistan then provided an overview of the International Regulatory Reforms post Global Financial Crisis (GFC) followed by a detailed account of measures taken by SBP for strengthening the Financial Stability Framework in Pakistan. Mr. Gabi Afram of the World Bank Group explained the importance of having a well-established institutional framework for “Bank Resolution and Crisis Management”. Mr. Usman Hayat, Executive Director, SECP shared experience in handling past capital market shocks and the measures being adopted for managing the risks associated with the equities markets.

The ensuing sessions focused on market perspective of financial stability. Ms Felicity Macdonald, Senior Manager Resolution Planning – Standard Chartered Bank, UK shared perspective on Recovery and Resolution of G-SIBS in the context of UK, while Mr. Faraz Haider, Group Chief, National Bank of Pakistan provided perspectives of the domestic market participants on Financial Stability. Mr. Qasif Shahid of Finja Pvt. Limited offered insights into the expanding phenomenon of “FinTech” and the opportunities and challenges it offers for the financial industry and the regulators.

The seminar proceedings, among others, highlighted key challenges faced by developing countries like Pakistan in addressing financial stability concerns, benefits of having a financial stability framework and challenges posed by emerging areas like “Fintech” and “Cyber Security”. The seminar also provided the participants an opportunity to share ideas and practices prevalent at their respective jurisdictions and to explore new areas of cooperation.

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