



## External Relations Department

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### **Governor SBP reiterates SBP will continue to play its role for economic stability of the country**

State Bank of Pakistan celebrated 71<sup>st</sup> Independence Day anniversary of Pakistan on 14 August, 2018 at SBP headquarters Karachi. Governor SBP, Mr. Tariq Bajwa, started the formal proceedings by planting a tree at the Bank premises and later hoisted the national flag amidst thunderous applause as colorful event commenced with recitation of verses of Holy Quran and subsequently playing of national anthem. Mr. Bajwa later announced to start a tree plantation campaign across all 16-field offices of SBP(BSC) spread across the country.

The Governor reminded the nation in general and youth of the country in particular that Pakistan had not come into being just because of the end of the British rule, rather Muslims of the sub-continent had rendered supreme sacrifices for its creation under the selfless and courageous leadership of Quaid-e-Azam, Muhammad Ali Jinnah.

Highlighting the importance of the day, Mr. Bajwa said it was heartening to note that the democratic process is continuing and that the members of newly elected national assembly have taken oath yesterday, which is a good omen for the country. He was confident that the journey towards improvement in economic conditions would continue unabated and assured that SBP will continue providing complete support to the newly elected government within its domain.

Governor felt satisfaction that Pakistan had achieved success on various fronts including economic progress right after its inception. "State Bank of Pakistan has been discharging its responsibilities as custodian of country's financial system," he added. He, however, conceded that there had been challenges on economic front.

Mr. Bajwa briefly revisited the long term steps taken by the SBP aimed at improving economic conditions in the country. These include ensuring price stability through improvement in the monetary policy framework. "This stability supports economic growth, which in turn could lead to improved quality of life in addition to preserving the value of saving" said the Governor.

Mr. Bajwa said that the banking sector had registered an impressive asset expansion largely due to robust growth in advances to private sector. However, he emphasized the need for expanding banking products for all tiers of the economy, in particular SMEs, agriculture and financially excluded segments of the society. "SMEs are among priority sectors for their significant role in any economy but they have largely been ignored," said the Governor. He said SBP had recently introduced Policy for promoting SME Finance and hoped it will increase Bank's lending to SMEs.

Mr. Bajwa said financial inclusion is important for monetary stability and economic development and for this purpose, National Financial Inclusion Strategy was launched in 2015 that aims to increase number of account holders to 50 percent of the total adult population by 2020. The Governor also briefly threw light on Asan Mobile Account and Branchless banking which are expected to help increase financial inclusion in the country.



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The Governor said that Pakistan, like other developing countries, has been facing shortage of housing units and there is a shortage of an estimated 10 million housing units in the country. One of the key constraints hampering supply of housing units is the unavailability of financing. In order to address this issue, State Bank of Pakistan, in consultation with relevant stakeholders, has developed a policy for promotion of low cost housing finance in Pakistan. He showed optimism that financial institutions would divert their resources towards this important sector.

Later, the Governor inaugurated a special painting exhibition, arranged in SBP museum, of twenty-five inmates of central prison who had depicted to the world how they saw this Independence Day while they themselves were imprisoned. These inmates are students of Mr. Sikandar Jogi, an artist who has dedicated himself to teaching art to the students of deprived areas. Mr. Jogi is running a workers institute of art and design where he is teaching needy and poor.

Independence Day celebrations were also held at all the field offices of SBP (BSC), with open house activities particularly focusing on completion of 70 years of State Bank of Pakistan for general public, in Lahore, Islamabad, Quetta and Peshawar offices. The pensioners of SBP were specially invited on the occasion to pay tribute to their contributions in the progress of SBP as an institution.

The open house highlighted the history of State Bank of Pakistan by displaying different images and videos. Pakistan Security Printing Corporation (PSPC) displayed printing of currency. A separate stall with ATM machine was also arranged that presented the ATM functions and a brief on how to avoid ATM frauds. Commemorative coins, prize bonds and postal stamps were made available for the audience to purchase. To promote the innovation of digital banking channels, several commercial banks placed their stalls to demonstrate the applicability of digital banking.

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