

November 22, 2007

State Bank, DFID to hold Regional Forum
on Financial Inclusion in February

The State Bank of Pakistan (SBP), in collaboration with the UK's Department for International Development (DFID), will host a Regional Forum on Financial Inclusion in Karachi from 14 to 15 February, 2008.

This is for the first time that such a high-level Forum on Financial Inclusion is being held in Pakistan. Governors of the Central Banks/Heads of Financial Regulatory Authorities from the member countries of South Asian Association for Regional Co-operation, as well as the Philippines, Indonesia, Malaysia, Singapore, South Korea and Thailand will participate in the Forum.

The Forum on Financial Inclusion will be primarily a consultative body for the Governors of the Central Banks / Heads of Financial Regulatory Authorities of the Forum countries, but will also invite financial inclusion experts from across the globe to draw from international best practice. The expected outcomes of the Forum include the formation of a Regional Consultative Group on Financial Inclusion Policy.

The significance of this event is reflected in the fact that the World Economic Forum 2008 has also dedicated a session to Financial Inclusion. The Regional Forum will thus provide an opportunity to further develop policy guidelines in the regional context, taking its cue from the discussions held at the World Economic Forum.

South Asia is home to over two billion people, with promising population dynamics offering strong potential to become a major economic force in the world. However, high levels of poverty have been a major barrier to sustainable growth in these countries. Greater financial inclusion would accelerate economic growth and reduce poverty, but this requires a concerted and sustained effort by policy makers and the private sector. The Forum will be an opportunity for sharing experiences, enhancing coordination, and creating synergies.

Developing an inclusive financial sector is increasingly becoming a policy priority for both developed and emerging economies. The substantially high proportion of people without access to financial services in many developing countries is widely recognized as one of the fundamental constraints in achieving sustainable economic growth. High levels of financial exclusion and the weak financial sectors that tend to be associated with such exclusion also hinder private sector development, lowering investment and trade.
