



External Relations Department

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Wathra for increased level of cooperation among SAARC countries to fight global challenges

Governor and the current chairman of the SAARCFINANCE Mr. Ashraf Mahmood Wathra has said that member countries can fight with growing global challenges with their collective commitments, increased level of cooperation & information sharing, and efforts towards better shaping the future course of the SAARCFINANCE.

He was addressing to the 7th SAARC Finance Ministers' Meeting held in Kathmandu, Nepal on 20th August 2015. Mr. Wathra presented the progress report of the SAARCFINANCE - the Network of SAARC Central Bank Governors and Finance Secretaries of the region.

The core objective of the Network is to promote dialogue on macroeconomic policies of the region and sharing mutual experiences and ideas. In this context, the Network has initiated a number of useful initiatives in order to achieve its objectives as envisaged in its terms of reference.

Mr. Wathra highlighted some recent initiatives undertaken by the SAARCFINANCE Network, such as the availability of short-term liquidity for members under the SAARC Swap Arrangement; capacity building programs for officials of members under the SAARCFINANCE Scholarship Scheme; the dialogue and exchange of knowledge on issues of mutual interest through SAARCFINANCE Portal; the creation of regional statistical database, and the recent initiative on collaborative research studies. "These initiatives are beneficial in fostering closer relationships and building human capability in practical fields of central banking amongst SAARC partners," he added.

Mr. Wathra also shared the decision of the 30th Group Meeting of the SAARCFINANCE, which identifies five areas for cooperation, which will ultimately work as a roadmap for the Network. These five areas include reducing the transaction costs of cross-border remittances in the SAARC region; cross-border trade in the region; capacity building of officials of member countries; the creation of SAARCFINANCE statistical database; and undertaking of collaborative research studies to assess issues of common interest.

Governor SBP expressed optimism that these areas for mutual cooperation would help us build a clear mandate for future cooperation among the members. "The regional central banks have the ability to form cohesive policies towards gearing up cooperation in banking and finance with a view to facilitate cross border trade and investments, said the Governor adding, "We further intend to integrate and improve our payments and settlement system." Among others, the cooperation on this specific area would help promote bilateral and regional trade besides strengthening financial infrastructure in the region.

Mr. Wathra reiterated the need to take more initiatives and identify areas to further deepen cooperation among member countries. He told that future role of the SAARCFINANCE will become more challenging in the wake of high competition and growing economic and financial integration in the SAARC region. In this context, the regional central banks would need to 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.
