



External Relations Department

January 19, 2015

Governor SBP calls upon banks to ensure ‘Fair Treatment of Customers’

State Bank of Pakistan Governor Ashraf Wathra has stated that financial institutions bear the responsibility to be proactive in ensuring that their consumers are treated fairly. He was giving his inaugural address to a seminar on Financial Consumer Protection organized by SBP under the auspices of SAARC Finance here on Monday at National Institute of Banking and Finance (NIBAF) Islamabad.

The seminar was attended by the participants from central banks of SAARC member countries. Local and foreign experts on the subject shared their views on financial consumer protection in banks and the importance to conduct supervision.

The SBP Governor emphasized that enhancing consumer protection in banks eventually promotes competition in the industry and it has positive linkages with financial stability and financial inclusion. ‘The banks have to take a leading role in promoting and ensuring consumer protection in banking sector,’ he said. He underscored the responsibility of the board of directors and senior management of the banks in bringing a cultural shift to ensure fair treatment of the customers. He further emphasized the importance of transparency and public awareness and suggested that the banks should give its customer opportunity of taking informed decision by disseminating adequate information at the time of offering a product or service. He urged the need for robust, fair, unbiased and efficient complaints resolution mechanism within the banks.

He stated that Financial Consumer Protection should ideally rest on self regulation complemented by regulatory reinforcement. He also highlighted the importance of market conduct supervision and enforcement and stated that SBP is cognizant of its responsibility and gives equal importance to both prudential regulation and conduct of supervision.

It was the first ever Seminar on Financial Consumer Protection at SAARC level aimed at providing the participants an opportunity to share with each other the related policies and practices prevalent at their respective jurisdictions, initiate healthy dialogue and explore new areas of cooperation.

.....