



External Relations Department

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SBP launches consultation on Banking on Equality Policy – an initiative to increase financial inclusion of women in the country

In order to address one of the key challenges hindering economic growth of Pakistan to its full potential, State Bank of Pakistan (SBP) has launched a national dialogue on its forthcoming policy to reduce the gender gap in financial inclusion. Dr. Reza Baqir, Governor SBP hosted a webinar titled “Launch of Consultation on *Banking on Equality* policy: Reducing the Gender Gap in Financial Inclusion” on Monday, December 21, 2020. The webinar featured an exclusive panel discussion around women’s financial inclusion with international thought leaders in the area of gender and finance including Princess Zahra Aga Khan, Director Aga Khan Development Network (AKDN); Ms. Ceyla Pazarbasioglu, Director of Strategy, Policy and Review Department, IMF; and Dr. Reza Baqir Governor, SBP. Dr. Anita Zaidi, President of Gender Equality at Bill and Melinda Gates Foundation moderated the discussion. Deputy Governor SBP, Ms Sima Kamil made a presentation on the state of women’s financial inclusion in the economy and shared the features of the Banking on Equality policy. The webinar was attended by diverse local and international stakeholders representing public offices, international agencies, banks and associations. In addition, nearly 1,000 people also watched the webinar live through social media platforms.

Governor SBP, Dr. Reza Baqir, in his opening remarks said that improved gender parity in financial and economic opportunities can enhance overall socio-economic development outcomes of a nation, for not just the present but future generations. He noted that the event had three key goals. The first objective was to bring attention to the shared goal of reducing the gender gap in women’s financial inclusion. The second goal was to share the content of the Banking on Equality policy that was being launched for consultation. Finally, the third goal was to get feedback from stakeholders on the policy itself. He welcomed the feedback that was provided by the international participants and others that would be provided over the course of next several weeks. He noted that central banks in developing and emerging markets, where there are often market failures, have an important role to play in ensuring that important sections of the society don’t get left out from benefitting from the financial system through access to saving, borrowing, insurance and other financial products. He said that the SBP looked forward to working with other domestic and international partners to further the cause of improving women’s financial inclusion. In this context he also appreciated the support being provided by the Bill and Melinda Gates Foundation for helping advance SBP’s agenda on promoting financial inclusion in Pakistan.

In her presentation Deputy Governor SBP, Ms. Sima Kamil, noted that the gender gap in financial inclusion is rising. She noted that only 11.7 million, or 18% of the adult women, have active bank accounts compared to 51% for men. Deputy Governor Kamil unveiled five key pillars of the Banking on Equality policy under which actions are targeted towards improving institutional diversity, product diversification and development capability, customer acquisition and facilitation approaches towards women segments, gender disaggregated data collection, and prioritizing gender focus in SBP’s policies. The policy recommendations will be applicable on all banks, microfinance banks, DFIs and EMIs.



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During the panel discussion, Princess Zahra Aga Khan, Director AKDN, shared her views on how to make headways in the gender diversity landscape, and also shared her experience on what steps can make a difference. Ms Ceyla Pazarbasioglu, Director IMF, gave her valuable thoughts on the importance of gender diversity in financial service providers that can improve overall women's financial inclusion in a country. She also shed light on key demand and supply side barriers that globally exist for women's low financial inclusion.

Now, as the consultation process has commenced, SBP will conduct series of focused stakeholders' consultation sessions with commercial banks, microfinance banks, women working in FIs, prominent female thought leaders, women chambers, women entrepreneurs and housewives to get more feedback. Based on the broader feedback, the policy will be further enriched. After the feedback is complete, the policy is expected to be launched in early February 2021. The draft policy is available at <https://www.sbp.org.pk/events/2020/BankingonEquality/Draft-Policy.pdf>
