



## External Relations Department

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### Joint Press Release of Ministry of Finance and SBP

#### **Prime Minister inaugurates Naya Pakistan Certificates**

Prime Minister Imran Khan inaugurated the Naya Pakistan Certificates (NPCs) in a ceremony held in Islamabad today. Naya Pakistan Certificates is an initiative of Ministry of Finance and administered by the State Bank of Pakistan to offer attractive investment opportunities to overseas Pakistanis and resident Pakistanis with assets held abroad. These certificates are available in conventional and Shariah compliant versions.

Addressing the audience, the Prime Minister explained how his economic team has successfully addressed the economic challenges facing Pakistan and returned the country to a path of prosperity. The Prime Minister acknowledged the contribution of Overseas Pakistanis in addressing the pressing issue of external account deficit by continually increasing home remittances. He said that his government is working on innovative initiatives to provide attractive avenues of investment & saving for Overseas Pakistanis. He was delighted that Roshan Digital Accounts - the first initiative of its kind by SBP has been widely welcomed by the overseas Pakistanis. RDAs allow opening bank accounts remotely and in a presence-less manner and provides innovative banking, payment and investment solutions for millions of Overseas Pakistanis. The Prime Minister remarked that the initiative of Naya Pakistan Certificates would add further value to the RDA. He encouraged Overseas Pakistanis and resident Pakistanis to invest in NPCs through RDA. The Prime Minister lauded the efforts of Adviser to the Prime Minister on Finance and Revenue, Dr. Abdul Hafeez Sheikh, and Governor SBP for introducing the Naya Pakistan Certificates.

NPCs are sovereign instruments, denominated in USD and PKR, issued by the Government of Pakistan under Public Debt Act, 1944 and NPC Rules 2020 and can only be purchased through Roshan Digital Accounts – an initiative of State Bank of Pakistan, which was launched in September 2020. Information on RDAs is available at: <https://www.sbp.org.pk/RDA/index.html>. NPCs offer attractive returns over different maturities. These special certificates are available in both conventional and sharia compliant versions. Resident Pakistanis who have declared their assets abroad can also invest in USD denominated NPCs. Information on NPCs is available at: <https://www.sbp.org.pk/NPC/index.html>.

The minimum investment in USD denominated certificates is USD 5,000 which can be increased by integral multiples of USD 1,000 with no maximum limit. Whereas for PKR denominated certificates the minimum investment is PKR 100,000, which can be increased by integral multiples of PKR 10,000 with no maximum limit. The return on NPCs, is subject to 10 percent withholding tax, which is full and final settlement of tax obligation on NPC profits. Further, the overseas Pakistanis are not required to file tax return on account of their earnings on NPCs.

In his address, Adviser to the Prime Minister on Finance and Revenue, Dr. Abdul Hafeez Shaikh, highlighted the various economic challenges faced by the country, particularly as a result of Covid-19 pandemic, and

the relief and economic stimulus initiatives taken by the Government of Pakistan. He emphasized the incumbent government under the leadership of Prime Minister Imran Khan is making effective efforts to resolve all the inherited economic woes of Pakistan. The Advisor to PM said that the launch of NPCs is a big top up to the Roshan Digital Account aimed at providing an attractive investment opportunity to the overseas and resident Pakistanis. He was optimistic that Overseas Pakistanis would fully utilize this opportunity to invest in NPCs.

In his address, Governor SBP Dr. Reza Baqir noted that the initiative of NPCs by the Ministry of Finance and the Roshan Digital Accounts initiative of SBP would go a long way in meeting the demand of overseas Pakistanis for facilitating their smooth access to the financial sector in Pakistan and provide investment opportunities to them as well resident Pakistanis. In addition, these two initiatives will help the country not only in tapping the valuable financial resources but will also become a more consistent, reliable and long-term source of foreign exchange flows in the country. Sharing the data on Roshan Digital Accounts so far, the Governor said that the outcome of the initiative has so far been quite satisfactory and encouraging. He said that over 36 thousand RDAs have been opened so far in less than two months fetching over USD65 million of amount remitted. He noted that the number of accounts and amounts remitted and investment is growing every day.

Ministers, parliamentarians, presidents and CEOs of banks, and senior officials from SBP attended the ceremony.

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