



External Relations Department

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President of Pakistan unveils SBP's 'Banking on Equality' Policy to reduce gender gap in financial inclusion

State Bank of Pakistan (SBP) has launched a gender mainstreaming policy titled "[Banking on Equality: Reducing the Gender Gap in Financial Inclusion](#)", which aims to reduce the gender gap in financial inclusion and improve women's access to financial services. The policy was unveiled today by the Honorable President of Pakistan Dr. Arif Alvi in an event at Aiwan-e-Sadr.

In his remarks, the President said that the Government of Pakistan (GoP) recognizes women's financial inclusion as a key driver for achieving sustainable and inclusive economic growth of the country. The President added that it is the Government's declared policy to promote women's inclusion by providing equitable opportunities for access to financial services to all segments of the population and SBP's BoE Policy will be instrumental for achieving this goal. He applauded SBP's efforts and expressed his expectation that Banking on Equality policy would help mainstream women's financial inclusion agenda as part of financial institutions strategic priorities through binding targets. He highlighted that in line with the ethos of our founder, GoP's flagship Ehsaas program initiative incorporates Prime Minister Imran Khan's vision of "One woman, One bank account policy" to empower women through financial inclusion.

In his welcome remarks, while highlighting the background of the policy, Governor SBP, Dr. Reza Baqir, said that reducing gender gap in financial inclusion has remained a priority for SBP as mainstreaming the role of women has widespread benefits at social, economic and financial levels for the entire country. Towards this end, the first step is to improve women's empowerment giving them access to entrepreneurial opportunities through having a formal bank account.

Governor Baqir added that advancements in branchless banking have played a significant role in improving access to finance for people from various socio economic backgrounds, without the added cost of setting up brick and mortar structures. As a result, as of December 2020, 62% of adults have a bank account showing a significant growth from 45% in 2017. Under the [National Financial Inclusion Strategy](#) (NFIS), a target was set to ensure that at least 20 million women must have active bank account by 2023. However, despite overall growth in financial inclusion, the gender gap has continued to persist. He shared that, as of December 2020, only 14.5 million active accounts are owned by women, compared to 38.7 million active accounts owned by men.

Governor Baqir shared that SBP has recently introduced a [customers' digital onboarding framework](#) for banks, which allows bank account opening through digital means without the need to visit a bank branch and with simplified documentary requirements. The framework provides a convenient way of account opening, among others, for self-employed or unemployed women, freelancers, and recipient of remittances from abroad digitally with minimum documentation requirements. He showed confidence that this initiative would also help in achieving SBP's financial inclusion objectives by bringing the excluded segments of the society in the formal banking sector.

Deputy Governor SBP, Sima Kamil in her opening remarks said that women, especially in Pakistan, face distinct obstacles in accessing formal financial services. While explaining the policy features, she highlighted that the BoE policy is the first gender mainstreaming policy for the financial sector, which will introduce a gender lens in our policies and practices.

The BoE policy identifies five key pillars: (i) Improving gender diversity in financial institutions and their access points; (ii) Development and marketing of women centric products and services; (iii) Creating



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women desks at bank branches for improved facilitation for women customers; (iv) Robust collection of gender-disaggregated data and target setting; (v) Institutionalizing a Policy Forum on Gender at SBP. Accordingly, specific targets have been allocated. Financial institutions are required to increase women employees' ratio in the work force to at least 20% by December 2024. To improve women to women dealings at retail level, branchless banking (BB) providers shall be instructed to increase ratio of women BB agents to 10% in their agent portfolios. Similarly, dedicated and trained women champions shall be placed at 75% of all bank to help guide female customers by June 2024. Moreover, all banks will give gender sensitivity trainings to their staff, both male and female, to eliminate implicit gender biases and improve their understanding of the requirements of women customers.

The Banking on Equality was developed by SBP and finalized after extensive consultations with international and local stakeholders and details can be viewed at <https://www.sbp.org.pk/BOE/index.html>
