



## External Relations Department

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### **Prime Minister pays tribute to Overseas Pakistanis for their confidence in Roshan Digital Account**

The Honourable Prime Minister of Pakistan thanked Overseas Pakistanis for their overwhelming response to the State Bank's Roshan Digital Account (RDA) initiative. He was speaking at a ceremony at the Prime Minister House today, held to mark the significant milestone of remittances through RDA crossing \$500 million in just five months. The event was arranged by SBP to pay tribute to Overseas Pakistanis for their trust in RDA and to appreciate the banks that have partnered with SBP to make the product available. The Honourable Prime Minister was the chief guest. The event was attended online by Overseas Pakistani RDA holders and physically by Federal Ministers, Advisors to the PM, Heads of various institutions, Presidents of Banks and other dignitaries.

Addressing the audience, the Honourable Prime Minister said he was extremely pleased to see RDA emerge strongly as an attractive financial product for Overseas Pakistanis in such a short span of time. He said that he has always valued our diaspora as an asset for the country and had a long-standing desire to better integrate them with the Pakistani economy and financial system. Roshan digital account has finally provided this opportunity. He was very happy to note that RDA is helping Overseas Pakistanis to not only carry out financial transactions for their families in Pakistan but also to invest their savings in their homeland through different attractive opportunities, including Naya Pakistan Certificates (NPCs), the stock market and property. At the same time, these flows help generate economic activity in Pakistan and improve the country's balance of payments by raising foreign exchange reserves, making the product a win-win for both the diaspora and the country. The Honourable Prime Minister appreciated Governor SBP, Dr. Reza Baqir and his team for helping to build this permanent connection between Overseas Pakistanis and their homeland. He also congratulated the Presidents of the participating banks for making RDA a priority, and encouraged them to take full advantage of this new market by innovating further, including by providing more products to meet the demands of the Pakistani diaspora, such as automobile and housing loans. He emphasized that banks need to redouble their marketing and promotion efforts to create further awareness about RDA among Overseas Pakistanis, including through electronic media.

In his welcome address, Governor SBP, Dr. Reza Baqir, from the outset thanked the Honourable Prime Minister for his vision of connecting the Pakistani diaspora through financial services and providing his continuous personal guidance to make RDA a success. He also thanked the Ministries of Finance, Foreign Affairs and Overseas Pakistanis and Human Resources, the Federal Board of Revenue, and Senator Faisal Javed that helped SBP in executing RDA. He took the opportunity to appreciate the participating banks for their continuous efforts to reach out to potential customers and improve the quality of their services. Most of all, Governor Baqir paid tribute to the Overseas Pakistanis who have opened accounts from 97 countries and thanked those who joined the event online from different parts of the world. He said that crossing the significant milestone of \$500 million in remittances through RDA in just five months is an exciting achievement for SBP. It is also a testament to the fact that providing innovative solutions in partnership with the



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private sector holds great promise for strengthening the country's economy and financial system. Governor Baqir unveiled three major new policy steps that have been taken to improve RDA. First, the tax regime around RDA has been streamlined to allow the tax paid at source on profits on investments in NPC, shares, mutual funds, and property to be full and final and thus Overseas Pakistanis will not be required to file any tax return. Second, with the help of some correspondent banks, the cost of transferring funds internationally to and from RDA accounts has been reduced considerably to between \$5 and \$9 for most transactions. Third, in response to demand from Overseas Pakistanis in Europe and the UK, the Government has now introduced NPCs in Euro and British Pound, in addition to the existing US and Rupee-denominated certificates. He hoped that these changes would attract even more Overseas Pakistanis to open an RDA and vowed to continue to innovate to meet their needs.

Overseas Pakistani RDA holders joined the event online from the USA, UK, Saudi Arabia, UAE, Bahrain and Oman to share their experiences and suggestions with the Honourable Prime Minister. Later, the Prime Minister presented mementos to the Presidents of the banks with the best performance to date, including United Bank for opening the highest number of accounts; Meezan Bank for generating the highest amount of funds and attracting the highest amount of investment in Islamic Naya Pakistan Certificates; Habib Bank for attracting the highest amount of investment in conventional Naya Pakistan Certificates; and Bank Alfalah for special efforts in marketing.

It may be mentioned here that the Honourable Prime Minister of Pakistan inaugurated RDA in September 2020. Through this account, Overseas Pakistanis have been fully integrated with Pakistan's banking and payments system in a completely digital manner and have access to a full suite of lifestyle banking products. The RDA is available for both Conventional and Islamic Banking customers around the world. For more details, visit the SBP website: <https://www.sbp.org.pk/RDA/index.html>

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