



External Communications Department

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State Bank of Pakistan hosts 43rd SAARCFINANCE Governors' Meeting And SAARCFINANCE Symposium - 2023

43rd SAARCFINANCE Governors' Group Meeting was held on May 2, 2023 in Islamabad. Mr. Jameel Ahmad, Governor State Bank of Pakistan chaired the meeting. He welcomed the Governors of SAARC central banks and other delegates to this Regional meeting of SAARCFINANCE. He specifically extended his gratitude to Mr. Maha Prasad Adhikari, Governor of Nepal Rastra Bank; Dr. P. Nandalal Weerasinghe, Governor of Central Bank of Sri Lanka; and delegates from other central banks of the region for their presence in person.

In his opening remarks, Governor Jameel Ahmad noted that the SAARC region has confronted with multiple challenges and facing difficult times in terms of a very high inflation, slow growth, pressure on fiscal and external balances, climate changes, and increased incidence of poverty. In this situation, the SAARCFINANCE forum provides an opportunity to learn from each other's experiences on relevant macroeconomic policies and the need to fortify regional cooperation in the face of a challenging environment.

After opening remarks by Governor SBP, the central banks' Governors took stock of the macroeconomic situation in the region, progress on different initiatives under the SAARCFINANCE forum, including database, financial inclusion, collaborative studies and capacity building.

Alongside the Governors' meeting, a session was arranged on SAARCFINANCE collaborative research studies completed during the year. In the session, SBP presented a study on the use of unconventional policy instruments by South Asian central banks, and another study was presented by Nepal Rastra Bank on the prospects of Central Bank Digital Currency (CBDC) in the SAARC region.

On the sidelines, SBP also organized the flagship, Zahid Husain Memorial Lecture, where Dr. Asim Ejaz Khwaja, from Harvard Kennedy School delivered a lecture on Democratizing Lending: The Challenges and Opportunities for Financial Inclusion in Emerging Economies.

The State Bank of Pakistan also hosted the SAARCFINANCE Governors' Symposium on the theme of "Climate Change and Green Financing: Initiatives & Outlook in South Asia" on May 3, 2023 to showcase its dedication to promoting a sustainable financial system. The Symposium comprised of three insightful sessions; an expert session led by IFC and ADB; country presentations by member central banks; and a panel discussion on "The Role of Financial Sector in Advancing Climate Change Agenda and Green Financing in SAARC Countries". The distinguished panelists included Mr. Yaseen Anwar – Ex-Governor, SBP & Senior Policy Advisor, IFC; Mr. Abdul Rehman Warraich, Commissioner, SECP; Mr. Virender Kumar Duggal from ADB; and Mrs. Dilrukshini, from Central Bank of Sri Lanka. The panelists shared their perspectives on the role of financial institutions in promoting sustainable finance and the ways in which green financing can be leveraged to advance climate change action in the region.



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In his inaugural note, the Governor-SBP emphasized on the importance of discussing the pressing issue of climate change in general and particularly with reference to the SAARC region. The Governor highlighted the vulnerabilities of SAARC region to the adverse impacts of climate change and its implications on the financial system. He further remarked that globally, the financial systems are shifting towards promoting sustainability considerations. Similarly, SBP has adopted a proactive approach to safeguard the financial sector against climate change and environmental risks by undertaking several green initiatives including green banking guidelines, environmental & social risk management (ESRM) implementation manual, and financing scheme for renewable energy.

The Symposium concluded with closing remarks by Ms. Sima Kamil, Deputy Governor SBP, expressing her gratitude to all the participants for their valuable contributions to the discussions. The event was a significant step towards fostering greater collaboration and cooperation among SAARC member countries and international organizations to address the pressing issue of climate change.
