



External Communications Department

ECD/M&PRD/PR/01/2025-46

July 07, 2025

Governor SBP stresses sound Macroeconomic Policies and Financial Inclusion as pillars for Pakistan's Economy at Women Entrepreneurs Finance Code Launch

Governor State Bank of Pakistan (SBP), Mr. Jameel Ahmad said that SBP is fully committed to undertake structural reforms and lay the foundation for sustainable and inclusive economic growth. He was speaking at the launch ceremony of Women Entrepreneurs Finance Code in Karachi organized jointly by SBP and the Asian Development Bank (ADB). The event featured national and international dignitaries that expressed solidarity on the important cause of women's economic empowerment in Pakistan.

Governor Jameel Ahmad in his keynote address said that both SBP and the government remain steadfast in their approach to transitioning from recently hard-earned economic stability to a medium term economic transformation. This resolve is reflected in our prudent and cautious monetary policy stance, fundamentals aligned exchange rate, and ongoing fiscal consolidation and improving debt dynamics. He added that this approach is helping us ensure overall macroeconomic stability, building fiscal and external buffers and supporting sustainable economic growth.

Governor Ahmad said that with the focus now increasingly shifting towards structural reforms, he believes that this time is indeed different for Pakistan's economy due to the following facts:

- The average headline inflation has declined to 4.5% in FY25 – the lowest level in the last nine years and with prudent and coordinated mix of monetary and fiscal policies, inflation will stabilize within its target range of 5 – 7 percent.
- The FX market remains stable driven by external account outperformance and a high-quality buildup of FX reserve buffers. SBP's FX reserves are now almost five times higher than the low levels at the start of 2023.
- The current account balance is projected to remain supportive driven by robust remittances and resilient exports – despite rapid growth in both the value and volume of imports in line with ongoing economic recovery.
- Fiscal policy has proactively supported monetary tightening, as reflected in the second consecutive primary surplus in FY25. Both tax and non-tax revenues have shown sizable growth, while overall expenditures have remained relatively contained. GOP is targeting a higher primary surplus for FY26. Economic growth is showing signs of gradual, consistent, and sustainable recovery.

Mr. Ahmad said that unlike in the previous episodes of boom-bust cycles, the current policy mix remains conducive to a lasting increase in economic activity rather than a short-sighted, fragile, and populist 'sugar rush'.

Governor SBP added that economic growth holds little meaning unless it is both sustainable and inclusive. Mr. Ahmad emphasized that women entrepreneurs are a powerful engine for economic growth and social progress. He said that supporting WMSMEs aligns closely with SBP's vision to foster a stable and inclusive financial ecosystem conducive to broad-based and inclusive growth. The Governor also appreciated ADB's commitment to support women financial inclusion in Pakistan and reflected on ADB's role in supporting SBP in the adoption and implementation of the Code in Pakistan.

In his welcome remarks, the Deputy Governor SBP, Mr. Saleemullah shared that SBP has introduced several initiatives to promote women financial inclusion, namely the National Financial Inclusion Strategy (NFIS) and the landmark Banking on Equality Policy (BOE) to embed gender lens in the banks



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policies, products and roll out strategies. On this occasion, Ms. Christine Engstrom, Senior Director Finance ADB, and Ms. Wendy Teleki, Head of WE Finance Initiative at World Bank, expressed pleasure on having SBP join the Code as a global signatory. The launch event also featured two panel discussions bringing together policymakers, financial sector leaders, entrepreneurs, and civil society representatives to discuss challenges, share success stories, and explore collaborative strategies for advancing women's entrepreneurship in Pakistan.
