

Governor's Message

Banking Services Corporation (BSC) – set up in January 2002, is the subsidiary of the State Bank of Pakistan and is entrusted with the task of currency management and operational and administrative oversight of foreign exchange departments, export and other finance, management of Government accounts and operational work related to Government certificates.

With the changing environment of banking sector BSC has undergone significant change. On one hand BSC has had to relinquish certain functions it performed at the time when both interest and credit and foreign exchange was rigorously regulated. On the other hand, it has to reposition itself to the deregulated environment (while continuing to perform some old functions such as related to Export Finance Scheme) and be equipped to deal with a transformed Central Bank and banking system. The challenges posed by these changing requirements have been phenomenal but BSC has been steadily shifting its goals and objectives to align itself with the new demands.

In 2005/2006, BSC undertook some important initiatives which are noteworthy:

- (i) improvements in currency management
- (ii) rolled out Globus Banking Solutions across the board within BSC and SBP's 16 field offices
- (iii) initiated work on business process reengineering and oracle enterprise resource planning software
- (iv) strengthening of the financial accounting systems
- (v) onsite examination of commercial banks by SBP field offices etc.

Going forward, SBP is now working closely with BSC to develop a strategy for its further transformation to assign a more relevant Mission to it in line with the withdrawal of some of its old functions, consolidate the organization, fully automate its services and introduce a new culture of change management along with better enforcement of the performance management systems. Developing adequate capacity and managerial skills along with better internal controls will be critical to achieve the anticipated transformation.

I am convinced that these steps will position BSC further to deliver its functions more smoothly and efficiently in a cost effective manner.

Dr. Shamshad Akhtar
Governor
State Bank of Pakistan