I feel privileged to launch Pakistan’s first ever National Financial Inclusion Strategy. I would like to extend my compliments to State Bank of Pakistan, SECP, financial service providers and international development partners, particularly DFID and World Bank, on developing the National Financial Inclusion Strategy through a broad based consultative process. The large number of stakeholders attending this launch is an indication of their ownership and commitment to the objective of achieving universal financial inclusion in the country.

Ladies and gentlemen,

The vision of our government is to create more opportunities of doing business and to make the common people of Pakistan self reliant and economically empowered. Therefore, the government is working at various levels to improve governance and availability of energy and other key infrastructure inputs. The recent historic agreement to create China-Pakistan Economic Corridor (CPEC) is an economically vital plan devised to help drive Pakistan’s economic growth. The economic corridor will connect economic agents and link economic centers with large resources which can be cultivated for job creation.

Having said that, let me say that there is no doubt that for sustainable economic growth, citizens across the socio-economic spectrum need access to fair and dignified financial services. Hence the importance of implementing the financial inclusion strategy in tandem with our mega infrastructural projects will be the key to our real success. We want to give opportunities that allow all existing and potential economic agents within the country to perform better and lead to overall economic prosperity.

Ladies and gentlemen,
Financial inclusion is not only a prerequisite for optimal economic growth and financial stability but it can really serve as a critical pathway for millions of unserved poor people to rise out of poverty. The Government of Pakistan strongly believes in this and showcases a firm commitment to uplift the poor through reforms in the system and supportive schemes targeted towards the youth, farmers and women. Today the National Financial Inclusion Strategy (NFIS), championed by State Bank of Pakistan, is being launched which is consistent with the Government of Pakistan’s Vision 2025 which calls for enhancing access to credit for Small and Medium Enterprises and focuses on financial inclusion and deepening.

Today we are all making a commitment to ensure financial inclusion in the country. Our aim is to provide broad based access of financial services enabling access to credit, formal savings, insurance, and payments which can facilitate financial wellbeing of the masses. With digital transactions accounts, account holding can become common and a predominantly cash based society can be transformed to a cash-literate economy leading to reduced dependence on the informal sector and enhanced transparency in business dealing.

Ladies and gentlemen,

The Government is already working on some of the drivers the NFIS identifies to catalyze financial inclusion. In particular, digitization of payments is a priority area and resolute efforts have been made to support the digitalization of payments and give depth to financial services among various segments of the population. I am proud to share that Pakistan has become a member of the Better than Cash Alliance - a global initiative.

The contribution of branchless banking is significant when it comes to channelizing Government-to-Person payments (G2P). Currently, the G2P payments to millions of beneficiaries of National Income Support Program (NISP), Internally Displaced Persons of Waziristan, Watan Card and Bait-ul-maal are being instantly channelized through branchless banking deployments.

Ladies and gentlemen,

Our government has already taken a number of practical and concrete steps to bring the financial services within access of the populace. One major step is the increase in the number of beneficiaries under the NISP to 5 million by the end of this financial year 2014-15. It may be recalled that the number of beneficiary families stood at 4.1 million when our government took office less than two years back. The number was significantly increased to 4.8 million by December 2014 and is now aimed to touch 5 million by end June 2015. The Government has issued them Debit Cards which they can use in the banks to receive their
monthly stipend. I am confident that a significant number of these families / persons have had access to financial services for the first time in their lives.

Our government increased the budgetary allocations for NISP from Rs 40 billion in 2012-13 to Rs 118 billion in this financial year 2014-15. We are now planning to enhance the budgetary allocation in the coming budget as well. The government is keen to gradually transform the remaining space of government payments/receipts through branchless banking models. Going forward, complete digitizing payments for pensions, salaries, and tax will provide a great impetus to digitizing the overall payment landscape in Pakistan.

**Ladies and gentlemen,**

Let me remind you that, for the last twenty two months, the focus of our government has been on the 4 Es which we had mentioned in our General Elections 2013 Manifesto as well. I am happy to share with you that the economy has become stable and taken the right direction, operation against extremism is progressing successfully while the Prime Minister is himself regularly reviewing progress in the energy sector. On the economy side, one of our first aims was to avoid default and increase foreign exchange reserves. We have successfully achieved that. We have now moved to stability in the economy and I am now targeting growth in the coming years. Growing economy will bring prosperity to a larger number of people which will mean more use of financial services.

I will very briefly share with you some figures also. The growth rate that averaged around 3% in the five years before June 2013, rose to 4.02% in 2013-14 and is expected to rise to 4.24% during 2014-15. Inflation, which had averaged around 12% before June 2013, was brought down to 8.6% in 2013-14 and is now projected to decline further to around 5% in 2014-15, which will be the lowest in the last many years. Low inflation will increase purchasing power of the people of Pakistan.

The tax revenues showed an upward trend in the first year of our government, increasing by 16.44%. This strong performance has continued during the current fiscal year with a revenue growth of around 13% in the period July-April 2014-15 compared to last year, despite a massive decline in oil and other commodity prices having a negative impact on revenue collection.

**Ladies and gentlemen,**
It is due to Government's tireless efforts and measures and their positive impact on the economy that Moody’s improved Pakistan’s rating outlook last year from negative to stable and, more recently, from stable to positive. The Standard and Poor’s has followed suit. Moreover, Japan’s Trade Organization JETRO, the British economist Peter O’Neil and Morgan Stanley have all predicted that Pakistan will soon be one of the most significant economies of the global emerging markets. The positive sentiments have further been confirmed within the last one month by Bloomberg, Economist and the World Bank. Just last week, the OICCI raised its index further to positive 18. Remember the index was at negative 34 when our government took office.

The government’s manifesto hinges on reviving the confidence of people by instilling hope, restoring national dignity and laying the foundation for sustainable growth and development. The manifesto sets out a realistic framework for socio-economic development, generating opportunities and jobs, based on equity, fairness and justice. In this connection, all actions covered by the comprehensive NFIS focus on reaching the poor and underserved clients, while strongly emphasize on bringing women into the financial sector. The six Prime Minister’s Youth Schemes introduced last year were also in line with this aim of providing opportunities across the board, particularly to the youth, to improve their economic condition.

Ladies and gentlemen,

In conclusion, I would like to assure the audience that as the Chairman of the NFIS Council I will be providing all the support to ensure implementation of the strategy and would personally influence the legal and policy reforms needed to achieve maximum impact. Let me also inform you that I have already approved yesterday the Steering Committee which is tasked to take the NFIS forward and devise ways to implement its various recommendations in order to expand the reach of financial services throughout the country. I request the stakeholders to show their full commitment and active engagement to increase access and quality of financial services for the underserved segments of the economy and help to build a sustainable and prosperous Pakistan.

Thank you.