



Nepal Rastra Bank

Press Release

Governor Dr. Khatiwada Participated in SAARCFINANCE Meeting, 2013

SAARCFINANCE Governors' Symposium was held on 18 June 2013 in Islamabad back to back with ACU Board of Directors Meeting.



SAARCFINANCE was established on September 9, 1998 as a regional network of the SAARC Central Bank Governors and Finance Secretaries with a view to conducting dialogues on macroeconomic policies of the region and sharing mutual experiences and ideas. It is a permanent body, which got formal recognition of SAARC at the 11th SAARC Summit, held in Kathmandu, Nepal in January 2002.

While delivering country presentation on the theme "Impact of EU Debt Crisis on South Asian Economies", Governor Dr. Khatiwada opined that most South Asian countries were largely unaffected from the EU crisis, but prolonged crisis might exacerbate the situation through financial contagion channel, fiscal channel and exchange rate channel. Governor Dr. Khatiwada while presenting the case of Nepal, highlighted principle policy measures undertaken in order to maintain financial stability and possible crisis mitigation. He expressed that the resilience indicators were strong and improving. He further focused that it

was the right time for South Asian countries to foster stronger cooperation, financial alliances and economic ties among themselves to make economic development financially more sustainable at the time of crisis.

There were two technical sessions which were chaired by Dr. Ishrat Husein, the former Governor of the SBP and Dr. Ehtisham Ahmed, Senior Fellow, London School of Economics, who were also the key note speakers on the theme. Governors and experts agreed that the Euro Zone crisis was not over yet and downside risks prevailed.

Prior to symposium, 26th SAARCFINANCE group meeting was held, which was chaired by the Governor of Maldives Monetary Authority. The meeting decided to launch SAARCFINANCE Scholarship Scheme, appointment of the SAARCFINANCE focal points at the Ministry of Finance, launching of SAARCFINANCE history folder in portal, amendment to SAARCFINANCE TOR and discussed on the seminars and workshops under the aegis of SAARCFINANCE and development of a Regional Coordination Surveillance Mechanism by ADB.

Governors/Deputy Governors from SAARC Central Banks/Monetary Authorities and Finance Secretaries/representatives from finance ministries of the respective SAARC countries participated in the meeting.

Office of the Governor
21 June 2013, Friday