



Nepal Rastra Bank Press Release

Governor Dr. Nepal Attends 34th SAARCFINANCE Group Meeting and 46th ACU Board of Directors' Meeting held in Colombo

Governor Dr. Nepal returned to Kathmandu on 16th July 2017 after participating in the 34th SAARCFINANCE Group Meeting and Governor's Symposium and the 46th Board of Directors' Meeting of Asian Clearing Union (ACU) held during 12-13 July 2017 in Colombo, Sri Lanka.



The 34th SAARCFINANCE Group Meeting was held on 12th July 2017 which was chaired by Mr. Fazle Kabir, Chairperson of SAARCFINANCE and Governor of Bangladesh Bank. Governors, Finance Secretaries, Director from SAARC Secretary and other heads of delegates participated the meeting. In Governors' symposium, Dr. Ezazul Islam, the lead researcher of the Collaborative Research Study Group presented a working paper on "Financial Inclusion in the SAARC Region" followed by country presentations on the symposium theme entitled "Challenges for the SAARC region amidst Global Uncertainties and Possible Policy Measures to Mitigate these Risks". Governor Dr. Nepal chaired one session. Executive Director Mr. Bhisma Raj Dhungana had presented Nepal's country paper.

The 46th meeting of the Board of Directors of the ACU was also held on 13th July 2017 which was chaired by the Governor of Central Bank of Sri Lanka Mr. Indrajit Coomaraswamy. Governor Dr. Nepal, delivering his speech in the meeting mentioned that the country's recent macroeconomic fundamentals are encouraging as witnessed by higher economic growth and lower inflation among others. He added that the recent local election and upcoming provincial and national level elections would boost up government expenditures. Governor Dr. Nepal further focused on the need to establish finance-growth nexus which is vital for enhancing growth, promoting economic efficiency and maintaining economic stability. "Nepal Rastra Bank is pursuing *Financial Sector Development Strategy* which could support economic growth along with ensuring financial inclusion and stability", he added.



On ACU operations, Governor Dr. Nepal raised concerns on the declining volume of the ACU trade and urged all the fellow governors to

rethink on the ways to better serve the enshrined objectives of the establishment of the ACU. Governors, Deputy Governors and other heads of delegates from Central Banks and Monetary Authorities of Bangladesh, Bhutan, India, Iran, Myanmar, Nepal, Pakistan and Sri Lanka attended the meeting. The meeting adopted the Minutes of the 45th ACU Board of Directors Meeting Held in Nay Pyi Taw, Myanmar. The meeting also adopted the recommendations made by Standing Technical Committee meeting on eight different agendas i.e., *re-opening the issue of use of domestic currency in the ACU mechanism, implementation of web-based application for the ACU messaging, required measures for resuming use of Euro, needed actions for*

adding Japanese Yen to the ACU mechanism, appropriate arrangements for restarting Iran's transactions with other member countries under the ACU mechanism, expanding and strengthening the ACU platform and establishing linkage of national banking cards switch of ACU member countries.

Nepal Rastra Bank has been elected the Chairman of ACU for the year 2018 and will host the 47th Board of Directors meeting. Along with ACU meeting, NRB is going to organize 36th SAARCFINANCE Group Meeting and Governor's Symposium in 2018. Executive Director Mr. Bhisma Raj Dhungana, Deputy Director Mr. Ishwari P Bhattarai and Assistant Director Tej Bahadur Khand attended the both meetings.

16 July 2017

Office of the Governor