

The Presidents/ Chief Executives
All Banks/DFIs/MFBs



Dear Sirs / Madam,

FINANCIAL CONSUMER PROTECTION

Recent developments in financial sector, both at home and abroad, have proved that adequate Financial Consumer Protection is crucial to the Financial Stability of the Banking industry. An effective Financial Consumer Protection Framework is indeed a major imperative for creating fair market infrastructure where consumers make informed financial decisions, have confidence in the Banking industry, understand and exercise their rights, and have effective recourse for their grievances.

State Bank of Pakistan in its endeavor to foster Financial Consumer Protection across the industry has issued several market conduct instructions for banks, however, it has been noticed that Financial Consumer Protection is perceived to be limited to complaint handling only. In order to disseminate the real connotation of Financial Consumer Protection, the State Bank of Pakistan has prepared the attached descriptive note entailing the meaning, significance of Financial Consumer Protection, the global trends in this regard and the conduct expected from banks and DFIs for the advocacy of Financial Consumer Protection.

Banks/DFIs/MFBs are advised to develop and implement their own Financial Consumer Protection Framework, duly approved by their BODs by July 1, 2015. It is expected that the Banks/DFIs/MFBs will inculcate conducive culture enduring fair and quality customer service while delivering banking services to their customers.

Kindly acknowledge receipt.

Encl : Financial Consumer Protection- Beyond Compliance

Yours Faithfully,

Sd/-

(Muhammad Akmal)
Director