

Press Release

SEC-SBP to Form Task Force for Consolidated Supervision of Financial Sector

Islamabad – December 8, 2004: The Securities and Exchange Commission of Pakistan (SEC) and the State Bank of Pakistan (SBP) have decided to form a task force for consolidated supervision of the financial sector.

This was decided in a SEC-SBP Coordination Committee Meeting held at the SEC head office in Islamabad on Wednesday. The meeting took stock of several important matters pertaining to regulation of the financial sector. The Governor SBP, Dr. Ishrat Husain and Chairman SEC, Dr. Tariq Hassan presided over the meeting which was attended by senior officials from both regulators.

Consolidated supervision has been an area of concern with the two regulators and various modalities and steps to be taken in this regard have been discussed. The task force would help pave the way for developing a framework for holistic regulation of the financial sector.

At the outset of the meeting, a representative of the National Accountability Bureau (NAB) briefed the participants on the status of actions taken in respect of illegal forex companies/unlawful brokerage business. He also apprised them of the functioning and expansion of the Financial Crimes Wing at NAB.

The meeting also reviewed margin financing and the phasing out of Carry-over-Transactions/Badla financing and it was observed that all stakeholders were on board for the phase-out. In this regard SEC informed of the progress already made as per the road map according to which COT has been restricted to twenty-four (24) scrips; five scrips have already been phased-out as per the plan.