



## SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

**PRESS RELEASE**  
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**For Immediate Release**

### **IOSCO confirms SECP's enhanced compliance with international securities regulatory standards**

ISLAMABAD, July 30: The International Organization of Securities Commissions (IOSCO) has published the Assessment Committee's review of Securities and Exchange Commission of Pakistan (SECP)'s implementation of IOSCO Objectives and Principles of Securities Regulation (IOSCO Principles). This is the first country review conducted by IOSCO's Assessment Committee.

The IOSCO review identifies SECP's significant progress in meeting international regulatory standards and flags areas in which improvements are needed. Its conclusions indicate that Pakistan's regulatory framework has undergone significant improvements in the structure and practice of regulation since 2004, when the International Monetary Fund and World Bank issued their last Financial Sector Assessment Program (FSAP) evaluation of the country.

The review assessed Pakistan against IOSCO principles and declared fully compliant on 13 Principles, Broadly compliant on 10 Principles, Partially compliant on 9 Principles, whereas only in case of 5 Principles Pakistan remained non-compliant. Aggregately, Pakistan has succeeded in complying with about 62% of Principles due to extremely dedicated efforts by the Commission after its recent completion and its functioning at full strength.

Mr. Zafar Hijazi, the SECP Chairman, has congratulated the team that represented Pakistan's case before the Assessment Committee and the entire staff of the SECP on this accomplishment. He has also appreciated the support extended by the stock exchanges of Karachi, Lahore and Islamabad, the Central Depository Company and the National Clearing Company and that constant reforms in the capital markets will *Insha-allah* make Pakistan's capital markets most fair and transparent market of the region.

It may be noted that previously similar exercise was carried by IMF/World Bank in 2004. IOSCO is the international forum for cooperation among securities market regulators and the global standard setter for securities market regulations. IOSCO Principles for securities regulation are the key global regulatory standards that benchmark the regulatory framework, practices and procedures implemented by the regulators, self-regulatory organizations and market intermediaries in a jurisdiction.

Compliance with the IOSCO Principles is significant to; safeguard the integrity and credibility of financial system; strengthen legal and regulatory framework; and develop capital markets as a preferred investment choice for both local and foreign investors.

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Created in 2012, the IOSCO Assessment Committee conducts Country Reviews of IOSCO member jurisdictions to assess their compliance against IOSCO Principles. The aim of these reviews is to assess implementation of the IOSCO Principles and Standards and to help identify gaps in implementation. Pakistan was the first country review undertaken by the IOSCO Assessment Committee.

The SECP is the first jurisdiction to be assessed by the IOSCO. The assessment provided an opportunity for it to comprehensively review its regulatory and supervisory framework for securities regulation and to engage in a constructive dialogue with the Review Team on further enhancements to the framework.

The SECP has developed a comprehensive time bound action plan to implement further reforms in legal, regulatory and supervisory architecture to bring it totally in line with international standards and improve the review ratings further. Accordingly, reassessment of principle implementation status has also been proposed to IOSCO which will validate SECP's progress and graduation and help secure more favorable ratings for Pakistan.

#### **Tickers**

1. **IOSCO Publishes Country Review of Pakistan's Implementation of IOSCO Principles**
2. ***SECP Improved Implementation of International Securities Regulatory Benchmarks: IOSCO Principles for Securities Regulations***