

Press Release

June 1, 2015

For immediate release

New securities' law promulgated

ISLAMABAD, June 1: The Securities Act, 2015, has been promulgated after receiving the Presidential assent and publication in the Official Gazette. It has been framed by the Securities and Exchange Commission of Pakistan after detailed consultations with key stakeholders and incorporating feedback from the Senate's Standing Committee on Finance and Revenue. It has been drafted to achieve effective regulation of the securities market and enhanced protection of investors and the public in general.

The new law will replace the 1969 Securities and Exchange Ordinance. This comprehensive and modern law is aimed at removing the deficiencies of the earlier law and covering developments in the securities market over time. It will improve integrity, credibility and efficiency of the market by establishing and enforcing principles, which ensure fairness and promote investor confidence.

The law incorporates global benchmarks such as IOSCO Principles of securities' regulation and investor protection, and provides for implementation of advanced reforms for preventing market abuses and manipulation practices. It also provides for extensive disclosure requirements and safekeeping of investors' assets and tends to establish control measures for elimination of conflict of interest for securities market intermediaries.

A number of new rules and regulations will be framed under the new law for effective, efficient and streamlined regulation of the securities market, including regulations covering provisions for investors' protection and conduct and categorization of securities market intermediaries.

With the promulgation of this comprehensive and updated law, it is expected that the securities market operations will become more streamlined and efficient and the goals of investor protection and market development will be achieved.