



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Strategy, Development and External Relations Department

Press Release

SECP to start on-site inspection of brokerage houses

ISLAMABAD, August 9: In order to ensure a fair and transparent capital market, the Securities and Exchange Commission of Pakistan (SECP) has developed an inspection policy to ensure regulatory compliance by the participants of the securities market. Additionally, an inspection manual and standard operating procedures for the implementation of the policy have also been developed. All the statutory requirements along with best practices have been included in these documents.

The SECP aims at strengthening market oversight and enforcement through a blend of off-site reporting and on-site inspection. The off-site element comprises of periodic reporting by the regulated entities, including the three stock exchanges, which will then be assessed and analyzed to identify potential risk areas and to determine the status of compliance. On-site inspections will focus on policies, procedures and internal control systems, established by the regulated entities, to assure compliance and to assess their financial health. The SECP intends to conduct inspection of members of the stock exchanges on a regular basis.

A strong inspection programme is in the best interests of the regulated community as investor confidence is predicated on their trust in the market professionals who handle their investments, as well as in the regulators who supervise the market and related activities.

The inspection programme is aimed at promoting a culture of compliance and regulatory practices that would not only be beneficial to the market intermediaries and investors but would also facilitate overall growth and development of an efficient capital market.

Shakil Ahmad Chaudhary

Head, Internal and External Communication
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue, Islamabad
Tel: 921-4005 or 921-4009 ext. 378
Fax: 920-6459
Cell: 0302-855-2254
| [email: shakil.chaudhary@secp.gov.pk](mailto:shakil.chaudhary@secp.gov.pk)