



PRESS RELEASE

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SECP unveils insurance reform roadmap

KARACHI, February 27: The Securities and Exchange Commission of Pakistan (SECP), in a ceremony held today in Karachi, unveiled a proposed roadmap of reform and development in insurance industry in Pakistan. The roadmap has been prepared by a diverse committee with representation of stakeholders from insurance, banking and business segments.

The committee was mandated to suggest specific recommendations for the growth and development of the insurance industry and to make suggestion for the resolution of issues faced by the industry. A large number of participants from all quarters of insurance sector as well as other relevant stakeholders attended the ceremony.

Globally, it has been observed that the business of insurance is experiencing dramatic changes that pose unprecedented challenges both to insurers and regulators. There is a need to seek greater efficiency through organizational and operational restructuring, stronger focus on core competencies and to preclude greater financial risks and uncertainties in the minds of various stakeholders. The committee deliberated in depth on the potential reform areas, including regulatory reforms, operation challenges in life and non-life insurance, market development issues, insurance education and awareness and technology development.

Speaking on the occasion, Commissioner (Insurance), Mohammed Asif Arif said that the pace of development is prompting numerous regulatory and market reforms as there is a compelling need to deliberate on the policy and regulatory issues to accommodate the market changes and bring local insurance industry at par with the international standards. The report has been drafted with research and learning, drawing on international experiences, stakeholders' consultation and representation, and is meant to provide direction for future reform process, he added.

The report, which is a milestone in the long-term reform process, has been shared with stakeholders for input and suggestions, based on which the future reform work will take place, especially for necessary amendments to the regulatory framework. The SECP has published the report, which is also available at its website.