



Securities and Exchange Commission of Pakistan

Internal & External Communications Department

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Securities and Exchange Commission of Pakistan (SECP) and the Securities and Exchange Organization (SEO) Iran signed a Memorandum of Understanding (MoU) for exchange of information and cooperation.

ISLAMABAD – October 05, 2009: The Securities and Exchange Commission of Pakistan (SECP) and the Securities and Exchange Organization (SEO) Iran have signed a Memorandum of Understanding (MoU) in a bid to further enhance regulatory cooperation and information sharing between the two counterpart regulatory authorities of Pakistan and Iran.

The MoU has been inked in the backdrop of globally integrated financial markets that necessitates the regulatory agencies of capital markets to develop cooperative linkages between jurisdictions that ensure information sharing for enforcement of securities laws and also to facilitate detection and combat of cross border violations.

SECP has been promoting the bilateral co-operation with the counterpart regulatory bodies of the capital market at the bilateral, regional and international level. The Commission has already established co-operative arrangements through MoUs with the counterpart regulatory authorities of India, Maldives, Australia, Bhutan and Sri Lanka.

Expanding the cooperative linkages in the ECO region, the MoU, was signed in Tehran Iran by Mr. Salman Ali Shaikh, Chairman SECP and Dr. Ali Salehabadi, President & Chairman of the Board, SEO Iran. Mr. M.B. Abbasi, Ambassador Pakistan Embassy in Tehran, Iran also attended the signing ceremony. The MoU reiterated the commitment of two of the leading securities regulators in the ECO Region to work together in ensuring that securities and commodities markets in the Pakistan and Iran are fair, transparent, efficient and regulated to world class standards.

The document provides parameters of co-operation and consultation and envisages to enforce and ensure compliance. The scope of MoU also includes assistance in actions against insider dealings, market manipulation and other fraudulent practices in securities dealings; enforcement of relevant laws, rules and regulations; monitoring the markets for their compliance with the laws and regulations; and promoting high standards of fair dealing in their conduct or business.

According to the SECP, the memorandum cements an already excellent level of co-operation between the two independent agencies. Each regulator will be able to rely on the MoU to ensure compliance with applicable legislation and to collaborate in regulating inter-jurisdictional dealings as well as share technical know-how and joint training in enhancing the credibility of financial markets and protect investor rights.

"The MoU aims at supporting the national economy and minimising the risk that is usually involved in financial market transactions," observed Mr. Salman Ali Shaikh the Chairman SECP. He added that the agreement will help prevent fraud, money laundering, market manipulation and other prohibited practices in the securities markets of the Pakistan and the Iran.

Describing the MoU as a "significant milestone" in the development of the capital markets of Pakistan and Iran as the ECO region's leading securities markets, Dr. Ali Salehabadi, President & Chairman of the Board, SEO Iran noted that the agreement also comes at a time when financial markets and regulatory entities are facing many challenges. He added that: "Securities markets today are increasingly international in nature and accordingly require cooperation at an international level. The need for cooperation among the regulatory and supervisory bodies of the stock and commodity exchange can not be undermined."



Salman Ali Shaikh, Chairman SEC Pakistan and Dr. Ali Salehabadi, President & Chairman of the Board, SEO Iran shaking hands after the MoU signing ceremony in Tehran.