

## Press Release

### **SEC Sets Up Advisory Committee to Formulate Medium Term Strategy for Regulation and Development of Corporate and Non-Banking Financial Sector**

**ISLAMABAD–12 August 2005:** The Securities and Exchange Commission of Pakistan (SEC) has set up an Advisory Committee to formulate the medium term plan/strategy for regulation and development of corporate and financial (non-banking) sectors. The first meeting of the Advisory Committee was held in Karachi on Thursday.

Members of the Committee include respective Chairmen of the three stock exchanges, Insurance Association of Pakistan, Mutual Funds Association of Pakistan, Investment Banks Association of Pakistan, Leasing Association of Pakistan, and Modaraba Association of Pakistan; Managing Directors/CEOs of the National Commodity Exchange Limited, and Central Depository Company of Pakistan Limited; and Presidents of the Federation of Pakistan Chamber of Commerce and Industry, Overseas Investors Chamber of Commerce and Industry, Presidents of Institute of Chartered Accountants of Pakistan, Institute of Cost and Management Accountants of Pakistan, Institute of Corporate Secretaries of Pakistan, and Institute of Chartered Secretaries and Managers of Pakistan. These members represented the various sectors under the regulatory/supervisory purview of the SEC.

The Advisory Committee was highly appreciative of the initiative of the SEC to develop a five-year medium-term strategy based on the blueprint it had earlier developed for regulation and development of sectors under its purview.

Addressing the participants of the meeting, the Chairman SEC, Dr. Tariq Hassan said that SEC was of the view that regulation and development go hand in hand. “The objectives of regulation should in no way stifle the development of the market”, he said and added that the medium term strategy should focus equally on both elements.

After in-depth discussion on the various challenges identified by the SEC for development and regulation, all participants agreed to prepare plans and timelines for the development of their respective sectors. The consultative process would ensure that there no gaps in regulation and all stakeholders agree upon a future course of action.

The five year medium-term strategy would help to set out a rolling plan for the reform process of the SEC and would serve to encourage effective regulation and development of corporate and non-banking financial sectors, including professional services.