

Press Release

MoU Signed to Set-Up South Asian Securities Regulators Forum

Islamabad – 13 May 2005: The Prime Minister of Pakistan Mr. Shaukat Aziz has urged the capital market regulatory bodies as well as stock exchanges in the South Asian region to establish greater level of cooperation and co-ordination. The Prime Minister said this while chairing the signing ceremony of a Memorandum of Understanding (MoU) between the Securities and Exchange Commission of Pakistan (SEC) and its counterpart regulatory bodies in the region.

The MoU, which was signed at the Prime Minister's house, establishes a voluntary and cooperative body called the South Asian Securities Regulators Forum for increasing mutual cooperation and exchange of information among the member countries. Representatives of the capital market regulatory bodies of Bangladesh, Bhutan, India, Maldives, Mauritius and Nepal were also present at the occasion. The regulators held a meeting earlier during the day to discuss and finalize the MoU.

The Prime Minister was highly appreciative of this measure to formalize the intentions of mutual cooperation and co-ordination amongst the financial sector regulators in the region. He also appreciated the measures taken by the South Asian Federation of Exchanges (SAFE) to achieve the broader objectives of the South Asian Association for Regional Cooperation. He informed the participants of the meeting about the measures that Pakistan had taken over the past few years to reform its capital market and reach international levels of best practices; he was particularly appreciative of the multi lateral donor agencies in their support to the Government of Pakistan to achieve the reforms.

Earlier, the Chairman SEC, Dr. Tariq Hassan while addressing the Annual General Meeting of SAFE said that the objectives of the Forum would be to: (i) promote cooperation amongst South Asian regulators for fostering a common understanding on regional regulatory issues and facilitating regulatory activities; (ii) sharing of information and experiences; and (iii) harmonization of regulations, policies and financial reporting systems.

Dr. Hassan urged cooperation and coordination amongst regulators, harmonization of regulatory frameworks and unified/cross-border operations, which may eventually lead to beneficial results for all the interested parties. For the achievement of this goal, he stressed the need to examine barriers like size of different markets, different legal infrastructures and regulatory environments.