



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Press Release

August 30, 2018
For immediate release

SECP intensifies its efforts against money laundering and terrorist financing

ISLAMABAD, August 30: The SECP has intensified its efforts to combat money laundering and terror financing. On the directive of Chairman Shaukat Hussain, the SECP has issued a circular No 16 of 2018, with a view to maintaining a register of ultimate beneficial ownership. This circular has been issued to all the companies, making them responsible to comply with Section 453 of the Companies Act.

The circular has directed all the companies having legal persons as their members/shareholders to obtain and maintain up-to-date information relating to their ultimate beneficial owners, i.e. natural persons who ultimately own or control the company.

Companies shall obtain the ultimate beneficial ownership information from their members, and also ensure to maintain and update this information in a register of beneficial ownership. The information is required to be obtained and maintained irrespective of the number of levels of ownership pattern, until the natural person exercising ultimate ownership or control and lying at the end of the ownership chain, is revealed.

The minimum fields of information required to be by the companies have been specified through the circular. In case no natural persons are identified after having exhausted all possible means, or there is any doubt that the persons identified are the beneficial owners, there shall be entered in the register of beneficial ownership the names of the natural person(s) who hold the position of senior managing official(s) of the company.

This circular has been issued in pursuance of making Pakistan compliant with 40 recommendations, which serve as international standards for combating ML/TF. Pakistan is a member of APG-a FATF Styled Regional Body (FSRB) and is required to adopt FATF standards as per membership obligations, and also to comply with the UN resolutions.

Here is the link to the relevant circular:

<https://www.secp.gov.pk/document/circular-no-16-of-2018-register-of-ultimate-beneficial-ownership/?wpdmdl=32228>

