



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Press Release

October 4, 2018

For immediate release

SECP holds two-day awareness session on AML/CFT

ISLAMABAD, October 3: In order to sensitize its regulated sectors such as the capital market, insurance, NBFCs, and modaraba about regulatory framework on anti-money laundering and countering financing of terrorism (AML/CFT), the SECP organized a two-day awareness session in Karachi.

The session was aimed at developing understanding of AML/CFT obligations and establishing an effective AML/CFT risk assessment and compliance framework and in particular, in detecting and reporting suspicious activities.

It may be added that the SECP notified the Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2018, in June and issued supplementary guidelines in September to help regulated persons understand requirements of the legislation in applying national AML/CFT measures.

Ms. Khalida Habib, Executive Director, SECP, apprised the participants about the financial institutions' obligations under AML/CFT regime. She highlighted the regulatory measures for the regulated persons to safeguard them from being used by money launderers and terrorist financiers. She also emphasized the requirement of risk assessment, internal policies, procedures and controls, customer due diligence measures, record keeping procedures and UNSCR compliance.

Furthermore, the outcomes of the National Risk Assessment and FATF monitoring process were also shared with the participants. Representatives from the Financial Monitoring Unit (FMU) explained the red flag indicators and unusual transactions relevant to each sector also answered enquiries related to subsequent reporting of STR/CTR to the FMU.

A large number of participants from the regulated sector as well as self-regulatory bodies and associations such as the Pakistan Stock Exchange, Central Depository Company, National Clearing Company of Pakistan Limited, Pakistan Mercantile Exchange, Mutual Funds Association of Pakistan, NBFIs and Modaraba Association of Pakistan and Insurance Association of Pakistan attended the session. It was an interactive session and various issues relating to the implementation of the risk-based approach were discussed. The SECP also solicited the feedback from the participants in respect of the AML/CFT framework.

The session was first in a series of awareness/training session as part of the outreach program to enhance understanding on the money laundering/terrorist financing risks and obligations there under.

