PRESS RELEASE

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SECP Policy Board directs Commission to reduce fees

ISLAMABAD, October 21: The SECP Policy Board met in Islamabad on Wednesday at the SECP head office under the chairmanship of Professor Khalid Mirza.

On the recommendation of its Regulations Committee, the Policy Board has directed the Commission to consider a substantial reduction in fees so as to remove the harsh regulatory impediments that hamper the overall growth of the financial services market to facilitate the ease of doing business in the country. The chairman said: “We must move towards beneficial regulation of the financial services. It’s important to simplify and reduce the cost of doing business. What we are seeking is light regulation, low cost and tough as well as fair enforcement.”

The chairman, Pakistan Stock Exchange (PSX) also gave a presentation to the Policy Board on the regulatory and policy issues confronting the stock market intermediaries and other operators in the market. The board agreed, in principle, to all the measures proposed by the PSX, including ceasing the practice of annual renewal of license; reduction of 8 bps fee on every rupee under management of mutual funds, which costs funds around Rs450 million a year, to 2 bps; as well as other measures that would facilitate operations of the financial industry. The board has given directions to the Commission to this effect.

In addition to other decisions, the Policy Board also constituted an insurance committee to delve into the issues and challenges that are being posed to the industry. In the previous meeting of the Policy Board, the oversight, regulation and governance committees of the board were constituted, which also presented recommendations/suggestions of their respective areas.

The SECP Policy Board, in pursuance of Section 12 of the SECP Act 1997, comprises ex officio members of the Ministries of Finance, Commerce, and Law, SBP, SECP and persons of eminence from the private sector.