

PRESS RELEASE

For immediate release

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SECP holds an awareness sessions on AML/CFT obligations

ISLAMABAD, December 21: Under its outreach program, the SECP held awareness sessions in Karachi on anti-money laundering/countering financing of terrorism (AML/CFT) obligations and terrorism financing risk assessment for its regulated sectors, i.e., securities and commodities market, insurance/takaful companies, non-banking finance companies and the modaraba sector.

Mr. Tariq Bakhtawar, director, SECP, gave a detailed presentation the outcomes and recommendations under the National Risk Assessment of Terrorism Financing along with the sector risk assessment on money laundering. He explained the requirements under FATF recommendation 1 – assessing risks and applying risk-based approach in confluence with the immediate objective1.

The SECP AML/CFT Regulations, 2018, have shifted focus from one-size fits all to risk-based approach that encouraged self-regulation among financial institutions to ensure that they are carrying on the legitimate and essential work, he said. He also shed light on the respective regulatory objectives and supervisory responsibilities in money laundering /terrorist financing. The session also emphasized the requirement of developing internal policies, procedures and controls, customer due diligence measures, record keeping and UNSCR compliance procedures under the AML/CFT compliance framework.

National Executive Committee (NEC) approved the terrorist financing risk assessment on December 18, 2018, that has been jointly prepared by the National Counter Terrorism Authority (NACTA) and the Federal Investigation Agency (FIA) in consultation with a number of relevant authorities.

The sessions were held at the Insurance Association of Pakistan, Pakistan Stock Exchange and the SECP office. Participants from Lahore and Islamabad were connected through the video link facility. In all more than 350 participants attended these highly interactive sessions.