



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

PRESS RELEASE

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Secured transactions registry established in SECP

ISLAMABAD, May 13: The federal government has entrusted the function of Secured Transaction Registry (STR) for unincorporated entities to the Securities and Exchange Commission of Pakistan (SECP). The registry will record charges/security interests created by entities on their movable assets.

The Financial Institutions (Secured Transactions) Act, 2016 enacted to provide an integrated legal framework for creation of security interest over movable assets besides providing for establishment of a secured transactions registry for unincorporated entities.

The creation of secured transaction registry will facilitate small borrowers from SME and agriculture sector to secure credit from financial institutions against their movable assets e.g. receivables, intellectual property, inventory, agricultural produce, petroleum or minerals, motor vehicles etc.

It is likely that the establishment of STR will improve Pakistan's ranking in "getting credit" indicator of the World Bank's Ease of Doing Business index that requires establishment of an integrated or unified collateral registry to register security interests in movable assets by incorporated and unincorporated entities.

The SECP is already maintaining a registry of charges/security interests created by companies for moveable and immovable assets under the Companies Act, 2017.