



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

PRESS RELEASE

For immediate release

June 27, 2019

SECP reaffirms commitment to the development of insurance industry

KARACHI: June 27: The Chairman, Securities Exchange Commission of Pakistan (SECP), Farrukh Sabzwari, has reaffirmed his commitment to the continued development of insurance industry in Pakistan. He was addressing a conference held in Karachi on Thursday. The conference was organized by a leading international actuarial firm.

The Chairman expressed his support for a collaborative effort in developing of a road map for implementation of IFRS-17, the new emerging global standard for insurance industry. The SECP is part of the working group that also includes the Institute of Chartered Accountants of Pakistan (ICAP), Pakistan Society of Actuaries, and other leading experts from the industry, which will recommend steps needed for implementation of the new accounting standard.

Among other topics, the conference participants discussed potential opportunities for streamlining regulation of insurance products that involve investment in capital market (i.e. unit-linked products). The conference participants deliberated upon data protection concerns related to recent innovations in underwriting processes, particularly those emanating from new technology driven products and discussed guidance from various international regulators.

Sabzwari apprised the conference of the recent steps taken by the SECP. These include restructuring of Insurance Division and setting up a dedicated market development department, proposal to introduce occupational health insurance scheme, and proposed legislative augmentations related to motor third party liability insurance and compulsory group life insurance.

The SECP has also initiated a review of bancassurance regulatory regime with a focus on market development and protection of policyholders' interest while taking into account the digitalization of processes involving sale and administration of insurance policies.

The SECP has worked together with the Sindh Revenue Board (SRB) for exemption of life and health insurance from levy of sales tax until June 30, 2019. The SECP also liaised with NADRA to reduce the NADRA verification cost by about 70% for small premium policies.