



PRESS RELEASE

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SECP conducts roundtable on Enabling Regulatory Framework for Startups

ISLAMABAD, October 17: The Securities and Exchange Commission of Pakistan (SECP) is taking various initiatives to create an enabling regulatory framework for facilitating startups in Pakistan. These measures will attract local and international innovators, SECP's Commissioner for Information System and Technology, Shauzab Ali revealed here on Wednesday. He said that SECP would amend the Companies Act with an objective to facilitate Startups and provide a conducive environment to young innovative entrepreneurs.

He was addressing a consultative session aimed at discussing options for a coherent industry policy for startups. The Chairman and Coach Planet N, Chairman National Clearing Company (NCCPL), representatives from Central Depository Company (CDC), President P@SHA, Director National Incubation Center, CEOs and founders of startup companies, lawyers were among participants. Young entrepreneurs, prominent technology experts and representatives of financial sector attended the session, organized by SECP at CDC House Karachi.

The Commissioner briefed participants on various initiatives of SECP, including amendments in Private Equity and Venture Capital Regulations, draft Equity Crowdfunding Regulations, launch of a startup portal, setting up a CRO facilitation desk and launching of first regulatory Sandbox in Pakistan.

The SECP officials briefed the participants on proposals to eliminate arduous requirements in the Companies Act that are not viable for startups. Similarly, with the advent of new technology enabled financial products reshaping the modern businesses SECP discussed the concept of equity crowdfunding, which is one of the fastest evolving products within the Fintech landscape.

Moreover, in-line with the government's initiative of ease of doing business and increasing access to finance to facilitate private equity investments, SECP has introduced significant amendments in the Private Equity & Venture Capital regulatory framework, which have been notified for public consultation.

Participants deliberated upon issues related to capital formation for small businesses and proposed various regulatory amendments to provide ease of doing business to startups. In a fast-paced interactive workshop, participants discussed various proposals and gave feedback on SECP's initiatives for facilitation of startups. In addition, the participants also discussed challenges in the current foreign exchange regime and taxation structure for startups.

The participants were appreciative of SECPs continuous engagements with all stakeholders to progressively transform the regulatory landscape in Pakistan. The meeting ended with a note of thanks by the Commissioner SECP.

The SECP would hold two more consultative sessions on Startup regulations, each in Lahore and Islamabad.