

## MEDIA RELEASE



International Organization of Securities Commissions  
Organisation internationale des commissions de valeurs  
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المنظمة الدولية لهيئات الأوراق المالية

IOSCO/MR/07/2018

Madrid, 28 March 2018

### **IOSCO issues follow-up review of Pakistan’s implementation of IOSCO Principles**

The Board of the International Organization of Securities Commissions (IOSCO) today published a follow-up [Country Review of the Islamic Republic of Pakistan](#), which recognizes Pakistan’s efforts to adopt legislative and regulatory reforms aimed at aligning its regulations with international standards in accordance with the IOSCO Objectives and Principles of Securities Regulation (IOSCO Principles).

In 2015, IOSCO’s Assessment Committee completed a detailed assessment of the depth and breadth of Pakistan’s implementation of the IOSCO Principles. The [2015 Country Review report](#) identified the country’s progress in meeting international regulatory standards and identified areas in which improvements were needed.

Today’s follow-up report considers the progress made by Pakistan in response to recommendations in the 2015 Country Review and focuses its assessment on the implementation of 14 IOSCO Principles that the 2015 report noted as deficient.

The legislative and regulatory reforms cover a wide range of issues in the regulation of capital markets, including enhancing the statutory powers of the Securities and Exchange Commission of Pakistan (SECP), changing the Pakistan Companies Act, overhauling Securities Broker Regulations, and introducing changes designed to ensure independent oversight of the audit profession. While some reforms address implementation issues noted in the 2015 Review, the follow-up report concludes that effective implementation of most of these changes is still in process. On this basis, the changes made since 2015 have raised the rating for implementation of 10 of the 14 Principles. That

is, four Principles that were rated Not Implemented have now been rated Partly or Broadly Implemented; five Principles that were rated Partly Implemented have now been rated Broadly Implemented; and one Partly Implemented Principle is now rated Fully Implemented.

The SECP's response to the report's findings was largely positive, and it was encouraged by comments in the follow-up report on their measures taken in response to the 2015 recommendations. The SECP remains committed to developing and implementing reform initiatives consistent with IOSCO Principles and agrees to give due consideration to the follow-up report's findings regarding effective implementation.

The follow-up Country Review was carried out by a Review Team of five experts from Dubai FSA, Luxembourg CSSF, Saudi Arabia CMA, Turkey CMB and the IOSCO General Secretariat. The Review Team leader was Laurent van Burik of the Luxembourg Commission de Surveillance du Secteur Financier. The team members collectively brought a range of knowledge and practical expertise to the review exercise.

Created in 2012, the Assessment Committee also conducts Thematic Reviews of specific IOSCO Principles and Standards across IOSCO's membership. Thematic Reviews aim to provide a snapshot of implementation of the IOSCO Principles and Standards and to help identify gaps, differences in approach and examples of good practice regarding implementation.

## **NOTES TO THE EDITORS**

1. IOSCO is the leading international policy forum for securities regulators and is recognized as the global standard setter for securities regulation. The organization's membership regulates more than 95% of the world's securities markets in more than 115 jurisdictions and it continues to expand.
2. The IOSCO Board is the governing and standard-setting body of the International Organization of Securities Commissions (IOSCO), and is made up of 34 securities regulators. Mr. Ashley Alder, the Chief Executive Officer of the Securities and Futures Commission (SFC) of Hong Kong, is the Chair of the IOSCO Board. The members of the IOSCO Board are the securities regulatory authorities of Argentina, Australia, Belgium, Brazil, China, Egypt, France, Germany, Hong Kong, India, Indonesia, Ireland, Italy, Jamaica, Japan, Kenya, Korea, Malaysia, Mexico, Morocco, the Netherlands, Nigeria, Ontario, Pakistan, Panama, Quebec, Saudi Arabia, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States of America.

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3. The Growth and Emerging Markets Committee is the largest Committee within IOSCO, representing close to 80 per cent of the IOSCO membership, including 11 of the G20 members. Ranjit Ajit Singh, Chairman of the Securities Commission Malaysia and Vice Chair of the IOSCO Board, is the Chair of the GEM Committee. The Committee brings members from growth and emerging markets together and communicates members' views and facilitates their contribution across IOSCO and at other global regulatory discussions. The GEM Committee's strategic priorities are focused, among others, on risks and vulnerabilities assessments, policy and development work affecting emerging markets, and regulatory capacity building.
4. IOSCO aims through its permanent structures:
  - to cooperate in developing, implementing and promoting internationally recognized and consistent standards of regulation, oversight and enforcement in order to protect investors, maintain fair, efficient and transparent markets, and seek to address systemic risks;
  - to enhance investor protection and promote investor confidence in the integrity of securities markets, through strengthened information exchange and cooperation in enforcement against misconduct and in supervision of markets and market intermediaries; and
  - to exchange information at both global and regional levels on their respective experiences in order to assist the development of markets, strengthen market infrastructure and implement appropriate regulation.

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