

# REGULATORY WATCH

By ICMA Research and Publications Department

## SBP Launches PRISM+ to Modernize Payment Infrastructure



The Governor of the State Bank of Pakistan (SBP), Mr. Jameel Ahmad, has launched the PRISM+ system, Pakistan's upgraded Real-Time Interbank Settlement Mechanism, aimed at modernizing financial market infrastructure and supporting a digitally empowered economy. PRISM+ adopts the ISO 20022 global messaging standard, offering real-time liquidity

management, transaction prioritization, future-dated payments, and integration with the Central Securities Depository for auctions and monetary operations. PRISM processed over PKR 1,043 trillion in FY24, and the upgrade enhances capacity and efficiency to meet growing market needs. Governor Ahmad highlighted the rise in digital finance, with 225 million bank and wallet accounts, and stressed strict cybersecurity, AML, and fraud controls. He acknowledged World Bank support and collaboration with banks, consultants, and technology partners, describing PRISM+ as a strategic asset to drive innovation, financial stability, and inclusion.

## SECP Releases Insurance Industry Statistics 2024



The Securities and Exchange Commission of Pakistan (SECP) has released the Insurance Industry Statistics 2024, showing total industry assets rising to Rs. 3,554 billion and gross premiums increasing 7% to Rs. 677 billion. The

takaful sector grew strongly, with family takaful up 37% and general takaful 24%, bringing combined premiums close to Rs. 100 billion. Private sector life premiums rose 25%, digital channel premiums tripled, and overall takaful contributions expanded rapidly. SECP highlighted priorities including a five-year development plan, agricultural and disaster risk insurance, digital financial inclusion, and adoption of international standards such as IFRS 17 and the Risk-Based Capital regime.

## SECP Orders Use of Shariah-Compliant Brokers

The Securities and Exchange Commission of Pakistan (SECP) has directed licensed entities to facilitate Shariah-compliant

intermediary services in line with the constitutional mandate to eliminate riba. Institutional investors, including takaful operators, NBFCs, collective investment schemes, pension schemes, modarabas, private funds, and brokers, must in the first phase frame an internal policy by December 31, 2025, report progress quarterly from March 31, 2026, and add at least one Shariah-compliant broker by June 30, 2026. In the second phase, July 2026–June 2027, at least 20 percent of trading must be routed through Shariah-compliant brokers, after which SECP will decide the way forward. Entities are also encouraged to use takaful and Shariah-compliant asset management services, while PSX has been advised to develop a Shariah-compliant trading mechanism and CDC to enhance visibility of such intermediaries on digital platforms.

## SECP Grants Digital Lending Licenses to Boost FDI

The Securities and Exchange Commission of Pakistan (SECP) has issued an Investment Finance Services license to Foremost Financial Services Pvt Ltd to operate as a Non-Banking Finance Company (NBFC) for digital nano-lending, while Instant Finance Pvt Ltd has been granted prior permission to register as an NBFC for SME digital lending. Backed by sponsors with an international presence in Indonesia, Mexico, and Nigeria, these approvals reflect renewed investor confidence and positive momentum for foreign direct investment (FDI) in Pakistan's regulated financial sector. SECP said the swift processing of these cases demonstrates its commitment to regulatory efficiency, financial inclusion, and diversification of the NBFC sector by attracting reputable, innovation-driven institutions.

## SECP Mandates Digital Payments by October 2025

The Securities and Exchange Commission of Pakistan (SECP) has directed all licensed entities, including Non-Banking Finance Companies, insurance companies, modarabas, securities brokers, and other intermediaries, to adopt and display digital payment solutions, particularly Raast QR codes, at their outlets by October 31, 2025. Entities must ensure visibility and cannot refuse customers opting for digital payments. SECP said the initiative, aligned with the State Bank of Pakistan's digitization drive, will enhance financial inclusion, transparency, and efficiency, and urged stakeholders to coordinate with banks, microfinance banks, and electronic money institutions to obtain free Raast QR codes for timely compliance.