

# REGULATORY WATCH

By ICMA Research and Publications Department



## Dr Kabir Ahmed Sidhu appointed Chairman SECP

Dr Kabir Ahmed Sidhu has been appointed chairman of the Securities and Exchange Commission of Pakistan (SECP), the Finance Division announced. He currently heads the Competition Commission of Pakistan, where he reduced the court case backlog by over 70%, recovered Rs. 1.36 billion in penalties, and strengthened enforcement against cartels and misleading practices in sectors such as poultry, sugar, telecom, FMCG, and automobiles. He also launched the AI-powered Market Intelligence Unit (MIU) and facilitated 139 mergers, including PTCL-Telenor and Shell Pakistan's sale to Wafi Energy. Dr Sidhu holds a PhD and LLM in law from the University of Manchester and brings over 20 years of experience in legal, financial, and regulatory roles in Pakistan and the UK.

## SBP Launches Pakistan Financial Inclusion Index

The State Bank of Pakistan (SBP) has launched the Pakistan Financial Inclusion Index (P-FII) to measure access, usage, and quality of financial services. The 2024 results show an overall financial inclusion level of 58.1. Developed using 69 indicators across banking, non-banking, and payment services, the index compares progress against 2030 targets. The P-FII will guide evidence-based policymaking under SBP's National Financial Inclusion Strategy 2024-28, with results published annually to track improvements nationwide.

## SBP Releases Quarterly Payment Systems Review for Q1 FY26

The State Bank of Pakistan (SBP) has released its Q1 FY26 Payment Systems Review, highlighting growth in digital and retail payments. Retail transactions rose to 2.8 billion, up 10% from the previous quarter, with a total value of Rs. 166 trillion. Digital channels accounted for 2.5 billion transactions, valued at Rs. 55 trillion, led by mobile app-based payments with 2 billion transactions worth Rs. 33.7 trillion. The Raast Instant Payment System processed 544 million transactions totaling Rs. 12.8 trillion, while card payments, ATMs, and branchless banking continued to expand. These trends reflect Pakistan's progress toward a more inclusive and digitally enabled payment ecosystem.

## SECP Revamps Research Analyst Regulations to Boost Investor Confidence

The Securities and Exchange Commission of Pakistan (SECP) has amended the Research Analyst Regulations, 2015, to enhance transparency, governance, and market integrity. The changes now require research analysts to register with SECP and bring social media influencers performing similar roles under compliance rules. The amendments also expand disclosures in research reports, clarify target prices and dates, extend blackout periods, provide guidance on white-labelling service providers, and introduce a code of conduct. These reforms follow extensive consultations with analysts, brokerage houses, asset managers, and industry stakeholders to ensure clarity and effectiveness.

## SECP Registers over 21,000 New Companies in 1HFY26

Pakistan's business landscape showed strong momentum in the first half of FY2026, with the Securities and Exchange Commission of Pakistan (SECP) registering 21,668 new companies, up from 16,839 in the same period last year. These incorporations added Rs. 30.7 billion in paid-up capital, bringing the total number of registered companies to 279,724. IT & E-Commerce led sector growth with 4,277 new firms, followed by Trading, Services, and Real Estate. Foreign investment remained robust, with 524 companies receiving Rs. 1.26 billion, led by China at 71% of inflows, highlighting continued investor confidence.

## SECP Revises ESG Disclosure Guidelines

The Securities and Exchange Commission of Pakistan (SECP) has issued revised ESG Disclosure Guidelines for listed companies to improve sustainability reporting and support Pakistan's climate goals. The guidelines align with the Pakistan Green Taxonomy, allowing companies to report climate risks, opportunities, and activity-level data. Disclosures will be voluntary until June 2029, then mandatory in three phases. SECP will assist companies through capacity-building, awareness sessions, and stakeholder engagement to enhance transparency, investor confidence, and the corporate sector's role in sustainable development.