

PAKISTAN'S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

Contact Information

Please provide contact details for potential follow-up questions. Contact details will be treated confidentially.

S. No.			

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

1.	Definition of beneficial ownership & mechanisms for obtaining beneficial ownership information	
	1.1 Please provide the definition of “beneficial ownership” in your country for: (a) legal persons; and (b) legal arrangements, including the relevant legislation (if applicable). Please describe criteria and thresholds that are applied to determine beneficial ownership, including any criteria for exercising control without legal ownership (e.g., voting rights, right to appoint or remove board of directors).	<p>Legal arrangements are not regulated by SECP.</p> <p>Legal persons i.e., companies registered under the Companies Act, 2017 and limited liability partnerships registered under the Limited Liability Partnership Act, 2017 are relevant to SECP. The definitions of Ultimate Beneficial Owner (UBO) with regard to companies (local & foreign) and LLPs are given below:</p> <p>Companies Act, 2017 and regulations framed thereunder: section 123A of the Companies Act, 2017 defines a UBO as: <i>“a natural person who ultimately owns or controls a company, whether directly or indirectly, through at least twenty-five percent shares or voting rights or by exercising effective control in that company through such other means, as may be specified”.</i></p> <p>Sub-regulation (7) of regulation 19A of the Companies (General Provisions and Forms) Regulations, 2018 further elaborates the definition of UBO as: <i>“a natural person who ultimately owns or controls a company, whether directly or indirectly, through at least twenty five percent shares or voting rights or by exercising effective control in that company through other means.</i> <i>‘Control through other means’ may be exercised through a chain of ownership or through close relatives or associates having significant influence or control over the finances or decisions of the company.”</i></p> <p>https://www.secp.gov.pk/document/sro-928-i-2020-amendments-to-the-companies-general-provisions-and-forms-regulations-2018/?wpdmdl=40346&refresh=5f7555cb1eb551601525195</p> <p>Clause (ix) of sub-regulation (1) of regulation 2 of The Foreign Companies Regulations, 2018 (framed under section 512 of the Companies Act, 2017) defines UBO as: <i>“a natural person who ultimately owns or controls a foreign company, whether directly or indirectly, through at least 25% of shares or voting rights or by exercising effective control in that company through other means. ‘Control through other means’ may be exercised through a chain of ownership or through close relatives or associates having significant influence or control over the finances or decisions of the foreign company.”</i></p>

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

		<p>Limited Liability Partnership Act, 2017 (LLP Act) and regulations made thereunder:</p> <p>Section 8 of the Limited Liability Partnership Act, 2017 (LLP Act 2017) and clause (m) of sub-regulation (1) of regulation 2 of Limited Liability Partnership Regulations, 2018 define UBO as:</p> <p><i>“a natural person who ultimately and effectively owns or controls a limited liability partnership through direct or indirect rights or who shares at least one fourth of the net profits and losses of the partnership”.</i></p> <p>https://www.secp.gov.pk/document/sro-925-i-2020-amendments-to-the-limited-liability-partnership-regulations-2018/?wpdmdl=40349&refresh=5f7555cb1a8321601525195</p>
		<p>Criterion for control:</p> <p>SECP’s threshold for UBO of 25 % or above for control is based on the risk-based approach for managing ML/TF risk as per FATF Recommendation 1. The procedures to identify the ultimate beneficial owners(s) are directed towards those members who hold 25% or more of the shares or voting rights in the company or a one fourth interest in a limited liability partnership. The limit of 25% is based on the interpretation note to Recommendation 10; under section C, CDD for legal persons and arrangements, footnote 35 to clause 5(b)(i) (i. i) describes controlling interest as:</p> <p>“A controlling ownership interest depends on the ownership structure of the company. It may be based on a threshold, e.g., any person owning more than a certain percentage of the company (e.g. 25%).”</p> <p>https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf</p>
2.	Access to basic information on legal persons	
	2.1 Please describe the process for obtaining basic information on legal persons created or registered in your country, including the role of the company registry.	<p>In case of companies at the time of incorporation:</p> <p>In terms of Section 16 of the Companies Act, 2017 and regulation 5 of the Companies (Incorporation) Regulations, 2017, the basic information of legal person is obtained by the registry through a specified form “Inc. Form-II”.</p> <p>https://www.secp.gov.pk/document/sro-927-i-2020-amendments-to-the-companies-incorporation-regulations-2017/?wpdmdl=40348&refresh=5f7555cb1c84b1601525195</p> <p>In case of foreign company, the basic information of legal person is obtained by the registry through a form “Fn c. Form-II specified under Foreign Companies Regulations, 2018. The</p>

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

		<p>companies (local & foreign) are required to provide changes in basic information through various statutory returns under the relevant regulations.</p> <p>https://www.secp.gov.pk/document/amendments-to-the-foreign-companies-regulations-2018-2/?wpdmdl=40355&refresh=62e8bdaf2597b1659420079</p> <p>Role of the Company Registry There are nine Companies Registration Offices (CROs) located throughout the country, which are collectively responsible for overseeing and ensuring compliance with all companies and LLPs’ filing requirements. Each CRO is headed by a “Registrar Concerned”, who supervises other CRO officers, known as Registrars, who are responsible for ensuring that the legal persons under their purview appropriately comply with their obligations to provide information upon registration and to update that information in accordance with the legislative requirements.</p> <p>Each Registrar has the authority to conduct desk-based supervision activities, including seeking information. Where onsite inspections are required, the registrar will turn the matter over to the SECP’s centrally located Supervision Division, which is responsible for all supervision work pertaining to all companies and LLPs across the SECP’s remit.</p>
2.2	<p>Please list the categories of basic information on legal persons that is obtained and recorded by the company registry (or other relevant registries), e.g., name of entity, date of incorporation, tax ID number, etc.</p>	<p>Basic information is obtained from legal persons through various forms and returns and is recorded by the registry. This includes:</p> <p>In case of local companies</p> <ul style="list-style-type: none"> • Name of legal person • Date of its incorporation (if already registered) • Registered office address • Authorized and paid-up capital • Names of its members/ shareholder along with their shareholding • Names, ID numbers, address of directors, partners, officers etc. <p>In case of Foreign Company</p> <ul style="list-style-type: none"> • Statute • Date of incorporation in country of origin • Name of parent company if any • Registered or principal office address in country of origin • Address of Principal places of business in Pakistan

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

			<ul style="list-style-type: none"> • Particular of directors and officers, etc.
	2.3	<p>Is the company registry available publicly & online in your country? YES / NO</p> <p>If YES, please provide links to the company registry and any other relevant registries of legal persons or provide details about how the public can access them.</p>	<p>Yes, the company registry is available publicly & online with certain information of each legal person at the following link: https://www.secp.gov.pk/company-name-search/?searchCriteria=Start&company/</p> <p>Moreover, in terms of sub-section (5) of section 462 of Companies Act, 2017 and section 21 of the LLP Act, any person may inspect the documents kept in the registry and may obtain a certified copy thereof.</p>
3.		Access to beneficial ownership information of legal persons	
	3.1	<p>Through which mechanism(s) can competent authorities (such as law enforcement, police, financial intelligence unit and tax agencies) access beneficial ownership information on companies and other legal persons created or registered in your country. Please select all that apply.</p> <p><input type="checkbox"/> Through a registry/registry with beneficial ownership information</p> <p><input type="checkbox"/> Through a different mechanism</p> <p><input type="checkbox"/> Competent authorities do not currently have access to beneficial ownership information</p>	<p>Under section 452 of the Companies Act, 2017 Companies’ Global Register of Beneficial Ownership is maintained whereby every substantial shareholder or officer of a company incorporated under the Company law, who is citizen of Pakistan within the meaning of the Citizenship Act, 1951 (II of 1951), including dual citizenship holder whether residing in Pakistan or not having shareholding in a foreign company or body corporate shall report to the company his shareholding or any other interest as may be notified by the Commission, on a specified form within thirty days of holding such position or interest. The company shall submit all the aforesaid information received by it during the year to the registrar along with the annual return.</p> <p>The Commission keeps record of the information in the Companies’ Global Register of Beneficial Ownership.</p> <p>And in terms of sub-section (8) of section 452 of the Companies Act, 2017 provides the information to different agencies and court, relevant sub-section is reproduced below for reference.</p> <p>“(8) The Commission shall provide the information maintained under sub-section (7) to the Federal Board of Revenue or to any other agency, authority, and court.”</p> <p>the mechanism for ensuring access to competent authorities is also provided under the Companies (General Provisions and Forms) Regulations 2018 (“the Regulations”) through the following regulations:</p> <ul style="list-style-type: none"> • Regulation 19A of “the Regulations” specifies how companies are to obtain UBO information and record such information in their records.

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

	<p>If REGISTRY, please provide further details on such registry(ies) including:</p> <ul style="list-style-type: none"> • Authority(ies)/agency(ies) responsible for obtaining and maintaining beneficial ownership information and for maintaining the register(ies). Please list if more than one; • Categories of beneficial ownership information (data fields) obtained, recorded and maintained on the registry(ies), e.g., name, nationality, date of birth, address, etc. • Types of legal entities covered within the scope of the beneficial ownership registry(ies), including any exempt entities. 	<ul style="list-style-type: none"> • Regulation 19A (4) of “the Regulations” requires an up-to-date register of Ultimate Beneficial Ownership (UBO) to be kept by each company; • <u>Regulation 19(A)(6) of “the Regulations” requires the board of directors of every company required to maintain a register of ultimate beneficial owners to authorize its chief executive officer or one of its directors or officers to provide the information required under this regulation to the registrar for verification purposes, or to any other authority or agency pursuant to the powers to call for information entrusted by law to such authority or agency; and</u> • to provide further assistance as may be required, and the name and particulars of officers/focal persons are to be furnished to the registrar. <p>Regulation 19A (3) of “the Regulations” provides that, where any change occurs in the particulars of ultimate beneficial owner or his ownership of the company, the person referred to in sub-regulation (2) shall, within a period of fourteen days from the date of any change, submit a declaration to the company as per Form 44, stating the nature of change and other particulars as mentioned therein. https://www.secp.gov.pk/document/sro-928-i-2020-amendments-to-the-companies-general-provisions-and-forms-regulations-2018/?wpdmdl=40346&refresh=5f7555cb1eb551601525195)</p>
	<ul style="list-style-type: none"> • Details of the registry’s(ies’) access policy: <ul style="list-style-type: none"> o Is the information on the registry(ies) available to the public? YES / NO <ul style="list-style-type: none"> ■ If YES, please include a link(s) to the registry(ies). ■ If NO, please list the authorities/agencies that have access to this information, or 	<p>Mechanism for verification</p> <p>Each Registrar has the authority to conduct desk-based supervision activities, including seeking information. Where onsite inspections are required, the registrar will turn the matter over to the SECP’s centrally located Supervision Division, which is responsible for all supervision work pertaining to all companies and LLPs across the SECP’s remit.</p>

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

	<p>that can request access.</p> <ul style="list-style-type: none"> o Does access beneficial ownership information in the registry(ies) entail any costs? o Does the registry(ies) provide features to search information by different types of information, e.g., legal entity name, name of director, name of beneficial owner, by first or last name, by business address, by registered agent? Is it possible to search for a combination of information (Boolean searches)? • Frequency of updates of information and triggers for updates. • Any mechanisms to verify beneficial ownership information submitted to the registry(ies) by legal persons or their representatives (if they exist). 	
3.2	<p>Please describe any other sources (mechanisms) through which competent authorities/agencies can access beneficial ownership information in your country. In each case, please describe how beneficial ownership information on</p>	<p>The information of beneficial ownership is maintained by the legal persons themselves. Mechanism for access to competent authorities/agencies to beneficial ownership information is provided in Companies (General Provisions and Forms) Regulations 2018 (“the Regulations”) through the following regulations.</p> <ul style="list-style-type: none"> • Regulation 19(A)(6) of “the Regulations” requires the board of directors of every company required to maintain a register of ultimate beneficial owners to authorize its chief executive officer or one of its directors or officers to provide the information required

PAKISTAN'S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

	<p>companies and other legal entities is made available to authorities and/or the public (if applicable).</p> <p><i>Examples may include through private-public partnerships (e.g., involving financial institutions, notaries and/or corporate service providers), through stock exchange or security exchange commission, or disclosure obligations for participation in public procurement processes, etc</i></p>	<p>under this regulation to the registrar for verification purposes, or to any other authority or agency pursuant to the powers to call for information entrusted by law to such authority or agency; and</p> <ul style="list-style-type: none"> to provide further assistance as may be required, and the name and particulars of officers/focal persons are to be furnished to the registrar.
3.3	<p>Are foreign legal persons, foreign (express) trusts or foreign legal arrangements allowed to operate in/own assets/ and/or register in your country? YES / NO</p>	<p>Yes (Only to the extent of foreign companies registered under the Companies Act, 2017). Legal arrangements are not regulated by SECP.</p>
	<p>If YES,</p> <ul style="list-style-type: none"> how is basic information on these arrangements recorded (if at all)? 	<p>The basic information is obtained from legal person (Foreign Company) through forms and returns under the relevant regulations and recorded by the registry.</p>
	<ul style="list-style-type: none"> how is beneficial ownership information on these arrangements recorded (if at all)? Please provide details of the relevant legislation and practices. 	<p>The information of beneficial ownership is maintained by the legal persons themselves under the Foreign Companies Regulations, 2018. https://www.secp.gov.pk/document/sro-866-i-2020-draft-amendments-to-foreign-companies-regulations-2018/?wpdmdl=40230&refresh=62ea57a82edab1659525032 Relevant regulations are provided below: Regulation 2(1)(ix) defines a beneficial owner as: <i>“Ultimate beneficial owner means a natural person who ultimately owns or controls a foreign company, whether directly or indirectly, through at least 25% of shares or voting rights or by exercising effective control in that company through other means. ‘Control through other means’ may be exercised through a chain of ownership or through close relatives or associates having significant influence or control over the finances or decisions of the foreign company. “</i></p>

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

			<p>6A. Maintenance of records of ultimate beneficial owners of foreign company. -</p> <p>In case of a member of a foreign company holding at least twenty five percent of the shares, voting rights, or controlling interest in the foreign company on behalf of some other person, following additional particulars of ultimate beneficial owner(s), shall be obtained, maintained, and duly updated by the foreign company:</p> <ul style="list-style-type: none"> • Name of the member of the foreign company not having beneficial interest in the foreign company • Name of the natural person who is the ultimate beneficial owner of the foreign company • Father’s name/Spouse’s Name • NIC/NICOP/ Passport no. along with date of issue • Nationality • Country of origin • Usual residential address • Email address
			<p>In case of indirect shareholding or control, following particulars of legal persons or legal arrangement through whom shareholding, interest or control exercised in the chain of ownership or control:</p> <ul style="list-style-type: none"> • Name of the entity • Legal form (Company/ LLP/Partnership Firm/Trust/ Any other body corporate (to be specified)) • Date of incorporation/ registration • Name of registration authority • Business Address • Country • Email address • Percentage of shareholding, control, or interest of UBO in the legal person or legal arrangement • Percentage of shareholding, control or interest of legal person or legal arrangement in the foreign company <p>Identity of natural person who ultimately owns or controls the legal person or arrangement</p>

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

4.	Access to basic information and beneficial ownership information of (express) trusts and other similar legal arrangements	Legal arrangements are not regulated by SECP. They are regulated at the provincial level.
5.	Sanctions	
	<p>5.1 Please describe the types of sanctions, sanctionable conduct, and targets of sanctions for noncompliance with beneficial ownership disclosure regulations (whether on the registry(ies) or through an alternative mechanism).</p>	<p>The Securities & Exchange Commission of Pakistan has been designated as the AML/CFT Regulatory Authority (RA) for all SECP-licensed and regulated entities (REs) with respect to compliance with the Anti-Money Laundering Act (AMLA) 2010 and its associated rules and regulations. Section 6A(2)(h) of AMLA authorizes the RAs to impose sanctions, including monetary penalties and administrative sanctions, in the manner as prescribed by the Federal Government. Accordingly, the Federal Government (Ministry of Finance) under section 43 of AML Act 2010 has issued the “AML/CFT Sanctions Rules, 2020” (Sanctions Rules). AML-CFT-Sanction-Rules-2020-SRO-NO-950I-2020.pdf (fmu.gov.pk)</p> <p>The Sanctions Rules define the types of sanctions and maximum monetary penalty to be imposed per violation.</p> <p>Under clause 4(1) of the Sanction Rules, SECP has a wide range of sanctions at its disposal, which may be imposed by SECP upon contravention/ violation of AML/CFT Obligations. The sanctions available to SECP are given below:</p> <ul style="list-style-type: none"> • Monetary Penalties: In terms of Sanction Rules, SECP may impose monetary penalty of up to Rs. 100 million per violation in accordance with the risk-based penalty scale. • Imposition of Condition, Limitation or Restrictions: SECP may impose any condition, limitation or restriction on the business or product offerings of a RE that it deems necessary to bring the RE into compliance with the AML/CFT provisions. • Revoking of License: Depending upon circumstances, SECP may revoke the license for operations of a RE. The license may be revoked permanently or may be suspended for a specific time based on the gravity of the violations. • Action against Individuals: SECP may impose a temporary or permanent prohibition on any natural person who holds an office or position involving responsibility for taking decision at the level of the management of an RE. • Issue statement of censure/ warning/ reprimand; Issuance of directions to the REs. to: <ul style="list-style-type: none"> ○ conduct internal inquiries.

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

		<ul style="list-style-type: none"> ○ take internal disciplinary action against directors, senior management, and other officers as necessary. ○ comply with specific requirements within a specific time through remedial plan. ● Impose any other sanction permitted under any enabling legislation. 															
5.2	<p>Please describe the powers available to the designated authority(ies)/agency(ies) to enforce sanctions for non-compliance with beneficial ownership disclosure requirements, including any statistics on enforcement of such sanctions.</p>	<p>The structure of SECP’s enforcement activities is as follows. There are nine Companies Registration Offices (CROs) located throughout the country, which are collectively responsible for overseeing and ensuring compliance with all companies and LLPs’ filing requirements with respect to beneficial ownership disclosure.</p> <p>The enforcement and sanctions provisions of the Companies Act 2017 and the Limited Liability Partnership Act 2017 ensure effective enforcement of UBO framework by introducing penalties for non-compliance for both entities and for individual officers/directors. The regulations specify the mechanism whereby non-filing of declaration of compliance by the companies or LLPs would lead to initiation of penal action by concerned officials. Summary of penalties and related provisions is provided below:</p> <table border="1" data-bbox="920 719 1995 1370"> <thead> <tr> <th>S. No</th> <th>Description</th> <th>Relevant Sections under Companies Act 2017 & LLPs Act 2017</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Requires penalizing in case of any contravention or default in complying with the requirements of UBO</td> <td>section 123A (3) to the Companies Act, 2017 (i) in case of a director, officer or any other person, a penalty of up to Rs. 1 million (ii) in case of company, a penalty of up to Rs. 10 million.</td> </tr> <tr> <td>2.</td> <td>Requires penalizing in case of any contravention or default in complying with the requirements of UBO (LLPs)</td> <td>Section 8 (3) of LLPs Act, 2017 Ccontraventions or default in complying with the requirements to obtain, maintain and update information about the ultimate beneficial owners of LLP as follows: (i) in case of a partner, designated partner, or officer, a fine of up to Rs. 1 million (ii) in case of an LLP, a fine of up to Rs. 10 million.</td> </tr> <tr> <td>3.</td> <td>Power to remove director</td> <td>Section 172 Companies Act 2017 Removal of director</td> </tr> <tr> <td>4.</td> <td>Power to wind up the company</td> <td>Section 301 Winding-up by court</td> </tr> </tbody> </table> <p>Enforcement of beneficial ownership violations for SECP regulated entities is provided below.</p>	S. No	Description	Relevant Sections under Companies Act 2017 & LLPs Act 2017	1.	Requires penalizing in case of any contravention or default in complying with the requirements of UBO	section 123A (3) to the Companies Act, 2017 (i) in case of a director, officer or any other person, a penalty of up to Rs. 1 million (ii) in case of company, a penalty of up to Rs. 10 million.	2.	Requires penalizing in case of any contravention or default in complying with the requirements of UBO (LLPs)	Section 8 (3) of LLPs Act, 2017 Ccontraventions or default in complying with the requirements to obtain, maintain and update information about the ultimate beneficial owners of LLP as follows: (i) in case of a partner, designated partner, or officer, a fine of up to Rs. 1 million (ii) in case of an LLP, a fine of up to Rs. 10 million.	3.	Power to remove director	Section 172 Companies Act 2017 Removal of director	4.	Power to wind up the company	Section 301 Winding-up by court
S. No	Description	Relevant Sections under Companies Act 2017 & LLPs Act 2017															
1.	Requires penalizing in case of any contravention or default in complying with the requirements of UBO	section 123A (3) to the Companies Act, 2017 (i) in case of a director, officer or any other person, a penalty of up to Rs. 1 million (ii) in case of company, a penalty of up to Rs. 10 million.															
2.	Requires penalizing in case of any contravention or default in complying with the requirements of UBO (LLPs)	Section 8 (3) of LLPs Act, 2017 Ccontraventions or default in complying with the requirements to obtain, maintain and update information about the ultimate beneficial owners of LLP as follows: (i) in case of a partner, designated partner, or officer, a fine of up to Rs. 1 million (ii) in case of an LLP, a fine of up to Rs. 10 million.															
3.	Power to remove director	Section 172 Companies Act 2017 Removal of director															
4.	Power to wind up the company	Section 301 Winding-up by court															

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

			S No.	Type of Violation	March 2021 - June, 2022	
					No. of Sanctions issued on Companies	No. of Sanctions on LLPs
			1.	Delayed filing of BO information	43,129	16
			2.	Failure to record BO information or recording information improperly;	3,677	4
			3.	Not maintaining BO registers as per prescribed format (e.g., insufficient information)	2,008	3
			4.	Not updating changes in BO information on timely basis	1,612	5
			5.	Multiple Violations (combination of above mentioned) to comply with BO obligation	3,979	9
				Total	54,405	37
6.		International Cooperation, asset recovery and challenges				
	6.1	Does your country make beneficial ownership information available to foreign competent authorities (directly or upon request)? Please provide details of the relevant legislative and regulatory framework in your country that allows for the international exchange of such information.	Beneficial ownership information is provided on request. SECP is empowered to establish international cooperation protocols under section 42D of SECP Act 1997. SECP is a signatory to the MMOUs established by IOSCO that has been signed by more than 120, IOSCO member jurisdictions. In practice, SECP utilizes the IOSCO MMOU to spontaneously exchange information with foreign counterparts.			
	6.2	Please describe how foreign competent authorities may request or access beneficial ownership information on legal persons and legal arrangements formed in your country.	The SECP has developed a separate mechanism for providing information to foreign competent authorities. In this regard “Guidelines for Cooperation and Assistance to Foreign Regulatory Authorities” have been issued under s 40B of the SECP Act 1997 that deal with foreign requests for information via SECP’s website. Requests are received via e mail and dealt with on a case-by-case basis.			

PAKISTAN’S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

			Link: https://www.secp.gov.pk/document/secp-guidelines-for-cooperation-and-assistance-to-foreign-regulatory-authorities/?wpdmdl=39167&refresh=62e784c07b0d71659339968
	6.3	Which agency(ies)/authority(ies) is/are responsible for receiving and responding to foreign requests?	SECP is responsible for receiving and responding to foreign requests for information concerning entities regulated by SECP.
	6.4	Please provide contact information and instructions.	SECP’s [International Relations Department] assists in all cases of information request from foreign regulators. Requests/ Questions may be directed to SECP through the special link provided at the SECP website at international.affairs@secp.gov.pk . Requests are received via e mail and dealt with on a case-by-case basis.
7.		Good Practices for Beneficial Ownership Transparency.	
	7.1	Has your country implemented any specific good practices relating to Beneficial Ownership Transparency that you wish to highlight? Examples could include good practices in verification, Data format, searchability, use of technology, enforcement of sanctions, automatic red flagging, use or risk-based approach.	SECP has implemented a robust risk-based mechanism for ensuring beneficial ownership transparency through identification and verification of ultimate beneficial ownership under the SECP AML/CFT Regulations 2020, and maintenance of accurate and up to date beneficial ownership information by companies and LLPs under the Companies Act 2017, LLP Act 2017 and regulations made thereunder. Non-compliance with the regulatory framework for beneficial ownership is effectively enforced by SECP supervisory function. When instances of non-compliance are identified through the inspection process, they are made known to the relevant legal person (LP) through a show-cause notice (SCN). Following the issuance of the SCN, the regulator provides a chance for the LP to rectify the deficiency or to justify the reasons for non-compliance. At the close of the representation period, if the non-compliance has not been justified then a sanction is imposed via an enforcement order. In this regard, SECP may issue a monetary penalty, an administrative sanction (including compliance direction, removal of directors or winding-up of company), or a combination of those measures.
8.		Follow-up to the special session of the General Assembly against corruption	

PAKISTAN'S INPUT ON UNCAC QUESTIONNAIRE ON BENEFICIAL OWNERSHIP INFORMATION

	<p>8.1 Please describe any other measures, if any, that your country may have taken to implement paragraph 16 of the political declaration adopted by the General Assembly at its special session against corruption held in June 2021.</p> <p>Paragraph 16 Political Declaration:</p> <p>We commit to making efforts in international cooperation and taking appropriate measures to enhance beneficial ownership transparency by ensuring that adequate, accurate, reliable and timely beneficial ownership information is available and accessible to competent authorities and by promoting beneficial ownership disclosures and transparency, such as through appropriate registries, where consistent with the fundamental principles of domestic legal systems and using as a guideline the relevant initiatives of regional, interregional and multilateral organizations against money-laundering, To this end, we will develop and implement the measures necessary to collect and share such information on the beneficial ownership of companies, legal structures and other complex legal mechanisms, and we will enhance the ability of competent authorities in this regard</p>	<p>SECP has been proactive in ensuring that accurate and up to date information on beneficial ownership of SECP regulated entities is available to competent authorities and other stakeholders.</p> <p>Pakistan is committed to ensuring availability of accurate, up to date and timely beneficial ownership information in legal persons for all competent authorities domestic as well as foreign. Beneficial ownership information is provided on request.</p> <p>In this regard, SECP is empowered to establish international cooperation protocols under section 42D of SECP Act 1997. SECP utilizes the International Organizations of Securities Organizations (IOSCO) mechanism for exchange of information. It is signatory to IOSCO's Multilateral Memorandum of Understanding (MMOU) for consultation, cooperation, and exchange of information. Over 120 IOSCO member jurisdictions are signatories to the MMOU. This mechanism enables SECP to timely exchange information with its foreign counterparts on beneficial ownership and other regulatory matters.</p> <p>To assist foreign competent authorities "Guidelines for Cooperation and Assistance to Foreign Regulatory Authorities" have been issued under s 40B of the SECP Act 1997 that deal with foreign requests for information via SECP's website. Requests are received via e mail and are dealt with on a case-by-case basis.</p> <p>Link: https://www.secp.gov.pk/document/secp-guidelines-for-cooperation-and-assistance-to-foreign-regulatory-authorities/?wpdmdl=39167&refresh=62e784c07b0d71659339968</p>
--	---	--