

Finance Adviser launches Pakistan's first PCM for capital market

As a landmark achievement in Pakistan's capital market landscape, the first Professional Clearing Member (PCM) has been formally inaugurated by the Adviser to the PM on Finance & Revenue, Mr. Shaukat Tarin on Nov 26, 2021 at CDC House, Karachi.

Speaking at the occasion, Mr. Shaukat Tarin said, *"It is the top priority of our Government to facilitate businesses and improve ease of doing business environment. This initiative of **Professional Clearing Member (PCM)** is a very significant and timely initiative by SECP and very well executed by CDC. It is very important for our Capital market that we introduce such novel concepts which will bring more transparency and efficiency in our market. CDC has won the trust and confidence of the investors, Regulator and all stakeholders in the market with its efforts of market development and investor facilitation."*

The new PCM regime has been successfully implemented after the introduction of the relevant regulatory framework by SECP and capital market infrastructure entities, leading to the launch of EClear Services Limited (ESL) by i.e. CDC, PSX, NCCPL and Pakistan Kuwait Investment Company, with CDC playing the lead role of the project manager.

Speaking at the occasion, the SECP Chairman, Aamir Khan said that "The PCM regime shall address two longstanding issues: risk of custody defaults by transferring custody to the PCM, and expanding the retail investor base by empowering small brokers."

Mr. Tariq Rafi, member of CDC's Board of Directors, welcomed Mr. Tarin and others guests after which Chairman CDC Mr. Moin Fudda addressed the audience. CEO CDC Mr. Badiuddin Akber presented a brief presentation to the audience explaining the working and benefits of the Professional Clearing Member. He mentioned, *"The solution will provide investors with a completely new and digital experience of Pakistan's capital market while giving them the confidence of asset protection by a reliable and independent third party service provider."*

The event was well attended by Capital market representatives including Chairperson PSX - Dr. Shamshad Akhtar and CEO PSX – Mr. Farrukh Khan.