



# SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

## **PRESS RELEASE**

For immediate release

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### **SECP initiates consultation to revamp Mutual & Pension Fund regimes**

ISLAMABAD, July 29: The Securities and Exchange Commission of Pakistan (SECP) has published a consultation paper, suggesting various alterations to the total expense regime (TER) and distribution paradigm for mutual funds and pension funds. These suggestions aim to reduce the burden on retail investors, optimize their returns, inculcate better saving habits, and increase retail penetration.

The consultation paper is made available on SECP's website in order to solicit public feedback and comments from stakeholders.

The paper reviews the current regime in three parts, i.e., the TER framework for mutual funds, the TER of pension funds, and a review of distribution models. While evaluating the current TER frameworks for mutual and pension funds, the paper suggests alterations to reduce the financial burden on investors, enhance their long-term returns, and guarantee equity and transparency in the expenses of fund managers.

The problems that have impeded the growth of the distribution network and affected retail penetration are discussed in the third part of the paper. Further, it recommends a transformative framework to revamp the distribution model and improve its usability and accessibility for average investors. The proposed changes are designed to align with international best practices and ensure that pension fund participants receive the maximum value from their savings.

SECP requests public feedback in order to introduce regulatory changes aimed at creating a more efficient, transparent, and equitable system that better meets the needs of investors. Interested stakeholders may send their comments and feedback at [fmd.feedback@secp.gov.pk](mailto:fmd.feedback@secp.gov.pk).

The consultation paper can be accessed at <https://www.secp.gov.pk/document/mutual-fund-for-masses-consultation-paper/?wpdmdl=52402&refresh=66a74953a69711722239315>



