



PRESS RELEASE

For immediate release

February 13, 2025

SECP Announces Mandatory Requirements for Non-Banking Microfinance Companies

ISLAMABAD FEB 13: The Securities and Exchange Commission of Pakistan (SECP) has announced a series of initiatives designed to empower women and strengthen consumer protection within the non-banking microfinance sector. These measures include comprehensive consumer protection principles, reporting of gender-disaggregated data and gender sensitization trainings.

To promote transparency and inclusivity, SECP has mandated that all NBMFCs report gender-disaggregated data and complaints through the SECP's ESG Sustain Portal. This ground-breaking initiative will provide valuable insights into the experiences of female borrowers, enabling SECP to identify trends, address disparities, and promote targeted interventions. This data-driven approach will contribute to a more nuanced understanding of the microfinance landscape and facilitate evidence-based policymaking.

A key focus of these initiatives is enhancing consumer protection. SECP has introduced comprehensive consumer protection principles for non-banking microfinance companies (NBMFCs). These principles emphasize transparent disclosures, ensuring that borrowers, particularly women, fully understand the terms and conditions of their loans. Effective grievance redressal mechanisms are also mandated, providing a clear pathway for consumers to address any concerns or complaints. These principles provide a robust framework for NBMFCs to adopt, promoting fair and ethical practices.

Recognizing the importance of capacity building, SECP has also mandated gender sensitization training for all NBMFC teams, including board members, senior management, and field staff. This training aims to equip staff with the knowledge and skills necessary to interact with female clients in a respectful and culturally sensitive manner, fostering a supportive environment for women seeking microfinance services.

These initiatives represent a significant step towards empowering women in the microfinance sector and promoting greater financial inclusion. SECP is confident that these measures will contribute to a more robust, equitable, and transparent microfinance ecosystem in Pakistan.