



إتحاد هيئات الأوراق المالية العربية
UNION OF ARAB SECURITIES AUTHORITIES

Annual Report

2019

**Union of Arab
Securities Authorities**



**14th
Annual
Report**

2019



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Chairman

Message

” I am pleased to present the annual report of the Union of Arab Securities Authorities for the year 2019, which includes a review of the most important developments in the Arab and international capital markets, and the most important achievements done by the Union. On the international level, despite the speculation and fears that were linked to the expectations of global economic growth, the effects of the outbreak of international trade wars, as well as the concerns about the effects of the policies of the American Federal Reserve Bank, international financial markets have managed to achieve gains in their overall indicators, which enhances confidence in these markets and their role in supporting economic growth.

At the level of the Arab regulatory authorities, significant developments have achieved over the past year in the areas of oversight, and improving the legislations and enforcement actions. The UASA members continued to develop a framework and appropriate mechanisms to enhance their oversight and develop rules of transparency and disclosure, governance, education and awareness to ensure the stability of the financial markets. UASA members were also keen on taking concrete steps in the areas of development, modernization and upgrading skills and financial systems that govern their work in line with the best international practices and standards, and took the necessary measures to encourage the use of modern financial technology, digitization and block chain technology to serve the capital markets.

The international developments at various levels impose on the Arab financial markets more challenges in many areas. These areas include confronting cyber risks and crimes, which requires the need to strengthening the financial infrastructure and the application of international principles in this area in order to enhance the resilience of the financial markets to various potential risks. The trend towards encouraging the issuance of financial instruments that meet the international requirements and global best practices in promoting the sustainability of national economies, especially in the areas of governance, environment and social responsibility, especially those related to the modernization of legislation to accommodate such developments, has become the focus of great international attention. This requires the concerted efforts of the Arab capital markets with the various relevant parties, and serves relevant projects and initiatives in our countries.

The year 2019, which represents the fourth year of the UASA's strategic plan, witnessed important milestones in the framework of implementing its objectives and initiatives. On the international level, the Union has continued in strengthening its position in IOSCO, as it is represented by three of its members in IOSCO's Board of Directors, including the position of Vice-Chairman of the Organization and Chair of the Emerging Markets and Growth Committee (GEMC), the Organization's largest committee, as well as the Vice-Chairman of the Regional Committee for Africa and the Middle East (AMERC). Last year witnessed close cooperation with a number of Arab, regional and international institutions, including the Organization for Economic Co-operation and Development (OECD), as well as the cooperation of the COMECEC with the aim of increasing the exchange of expertise in Islamic finance, the Institute of International Finance (IIF), the Arab Monetary Fund and other relevant international institutions.

In the area of enhancing cooperation among UASA's members, the year 2019 witnessed several activities and events on various levels. Working teams, which were formed in 2019 completed tasks assigned to it. A guideline related to initial offerings and listing was prepared, as well as a guideline for disclosure of insider trading transactions. The working teams also completed the development of a guideline for upgrading the professional level of companies and entities operating in the Arab financial markets, where these



rules are published on the UASA website. The UASA General Secretariat in the field of cooperation among members has also followed up on completing the necessary procedures to sign multilateral memorandum of understanding MMOU for cooperation among Union members, where most of the Union members have completed the necessary procedures they require in this regard, a prelude to signing the memorandum accordingly.

In the area of training and knowledge transfer, the UASA has continued organizing a number of training programs, seminars and forums in cooperation with prestigious Arab, regional and international institutions on various areas of interest to the Arab capital markets. The training programs covered several topics especially in the field of financial technology, awareness, education, governance, oversight and enforcement actions and collective investment schemes. The training programs also includes Islamic finance, combating financial crimes, and risks in financial services. It is worth mentioning that 2019 has witnessed the implementation of the largest number of training programs since the establishment of the Union in 2007.

Moreover, concerning cooperation related to investors' education and awareness and protection, the UASA's General Secretariat has continued updating the education and awareness e-portal that was launched in 2018. This portal will enable all interested parties to follow up on the latest developments in education and awareness along with the UASA's members in addition to the latest international developments in this field. The UASA in cooperation with its members, has added the French language to the glossary of most used financial terms. The glossary now is presented in Arabic, English and French.

Within the framework of preparing UASA's new strategic plan 2021-2025, the team formed according to the UASA's Board decision began working on the plan and communicating with the Union members to identify their requirements in preparation for the completion of the plan in order to meet their ambitions and objectives, where the plan will be presented to the Board in their next annual meeting for approval.

We hope that the UASA's activity will continue through 2020 with the same momentum to achieve more UASA members' goals and aspirations and promote cooperation and coordination among them for the benefit and goodness on Arab capital markets. It is my pleasure to take this opportunity to extend my sincere thanks and gratitude to UASA members on the trust given to me and for their cooperation and support for the Union and the General Secretariat for the duration of my presidency. I would also like to extend my best wishes of success for the 14th presidency session, asking God Almighty all the success, and in our Arab countries constant progress and prosperity.



Mohammad Saleh Al Hourani

Secretary General

Message

” The Union of Arab Securities Authorities (UASA) General Secretariat continued following up to accomplish the tasks assigned to it as per the UASA's strategic plan in cooperation with the UASA members and the committees formed for this purpose. Within the framework of enhancing cooperation and communication among the UASA's members, the UASA's General Secretariat has completed a multilateral memorandum of understanding (MMoU) that will be signed by UASA members. The General Secretariat continued to communicate with the members of the Union regarding the completion of the necessary procedures for them to sign a multilateral memorandum of understanding MMoU between the Union members, which was approved by the UASA Board during their last meeting in Amman. Within this framework, most members have indicated their willingness to sign the memorandum accordingly, in light of their completion of the necessary procedures. The MMoU is before the esteemed Board to take the necessary steps towards signing it in preparation for the start of its implementation and in a manner that enhances cooperation between the UASA members.

The UASA's General Secretariat, within the framework of enhancing cooperation among the members of the Union, issued a set of guidelines that were approved by the UASA Board during their last meeting, and in cooperation with the working groups formed for this purpose and the members of the Union. The guidelines for issuance and listing in Arab capital markets were issued covering aspects related to the issuance and offering of securities, the dissemination of information and the issuance of investment funds, determining the conditions for listing and suspending or delisting as well as listing bonds and investment funds in addition to rules related to listing and trading of foreign issuances.

Another guideline rules were issued related to disclosure, which included disclosure in the report of the Board of Directors, on material events, ownership of securities, continuous disclosure, as well as insider trading, fines, and enforcement. A guide has also been issued on the procedures to be followed to combat trading violations based on insider information and forms used to disclose insider information. Within the framework of cooperation among the Union members, guidelines were issued for the minimum requirements that are required in the Arab financial markets, as the rules included general rules for licensed companies and defining the standards adopted by the supervisory authorities related to financial eligibility, efficiency standards, and standards of integrity, honesty and compliance. It also included jobs that should be registered, general requirements for doing business, aspects relating to record keeping, discontinuation of business, cancellation of license, and penalties.

Within this framework, the UASA General Secretariat in cooperation with the working teams and the Union members issued a code of ethics for employees in the Arab Securities Authorities, as it included guidelines for professional behavior that Union members can follow with consistency with the regulations and legislations. These code covered issues related to job obligations, conflict of interests, work controls outside the commission, reporting violations, illegal activities and other provisions.

In order to crown efforts that have been accomplished within the framework of harmony and convergence between the legislation of the Union members, the General Secretariat has completed the work by issuing a guide to the general rules and guiding principles approved for the Arab capital markets, as this guide includes all the general rules and principles approved by the UASA Board in order to facilitate access to it by Union members and interested bodies.

In the area of capacity building, the UASA's General Secretariat has paid special attention to this aspect in order to meet the different requirements of the Union members in this field. The UASA's General Secretariat



carried out specialized training programs during this year. These programs dealt with the various fields and training needs, particularly those related to risk in financial services, combating financial and cyber-crimes and supervision and enforcement in governance, in addition to Sukuk and Islamic finance instruments and inspection. It also included specialized programs on financial technology, blockchain, settlement and clearing, and others. Also, within this framework, the General Secretariat has designed a set of programs that include more than (65) programs specialized in various aspects of interest to Arab securities authorities and other parties related to financial markets, where these programs will be implemented during the current year according to the requirements of the Union members and other relevant parties.

The UASA's General Secretariat also participated in many meetings, events and conferences, among them the organization of the Second Arab Capital Markets conference in Amman with the participation of a large number of experts and specialists and a number of Arab regulatory authorities and local, international, regional institutions.

On the international level, the UASA's General Secretariat continued enhancing cooperation with international, regional and Arab institutions to serve the members of the Union, as it continued to communicate with IOSCO's General Secretariat to assist members who didn't yet join this organization to join and communicate with members who are not signatories to the MOU and enable them to sign it. The UASA's General Secretariat has strengthened its cooperation with the Organization for Economic Cooperation and Development (OECD) including participation in the OECD's Working Group on Corporate Governance in the Middle East and North Africa region which examines a number of issues, most importantly, achieving sustainable economic development by taking into account the achievement of the aspects related to governance and the green economy and achieving gender balance in corporate governance and strengthening the governance of government-owned enterprises (SOEs) in addition to achieving the principles of governance for the G20-OECD group. The UASA's General Secretariat also participated in the Financial Inclusion Task Force, as well as the Regional FinTech Working Group launched by the Arab Monetary Fund.

The year 2019 was actively marked at various levels, the support that has been granted to the UASA's Secretariat had the largest impact in facilitating its required role, and implementing the tasks entrusted to it. We are always looking for a greater role in enhancing cooperation among Arab Securities Authorities and play an active role in this area with the participation of all related parties.

Please allow me to thank with gratitude the UASA's presidency of the thirteenth session for their directives and keenness in developing the UASA, as well as all the UASA's members for their continuous cooperation with the General Secretariat of the Union. I would also like to thank with gratitude the Securities and Commodities Authority of the United Arab Emirates, the host country, for their generous support provided to the UASA and the General Secretariat.



Jalil Tarif





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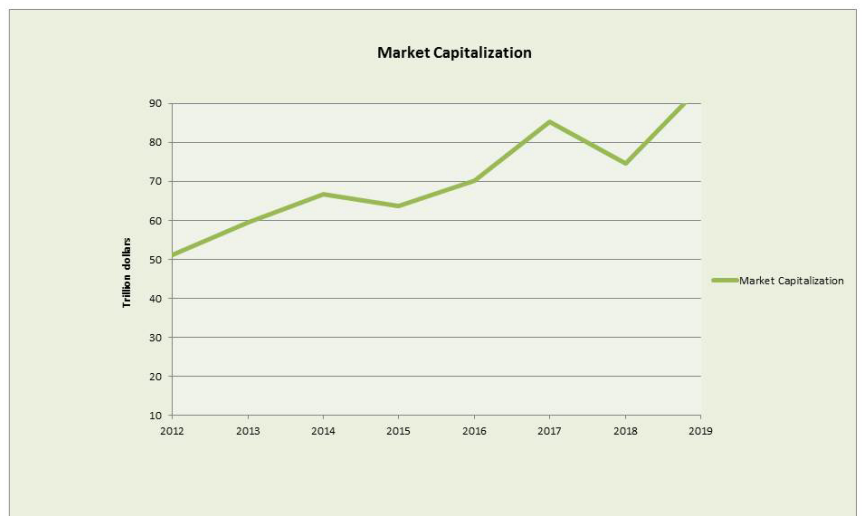
Global and Arab Financial
Markets Performance

Global and Arab Financial Markets Performance

Global stock market have marked best year since the financial crisis a decade ago, as investors shrugged off trade tensions and warnings of slowing growth in major economies. The MSCI World Index, which tracks stocks across the developed world, jumped more than 26% during 2019, the strongest performance since 2009. A surge in the US technology giants and strong recovery in Eurozone and Asia stocks drove the rally.

As for the global international markets, the year 2019 witnessed a marked an increase, which was reflected in the global market indices. The data released by the World Federation of Exchanges (WFE) indicated that the international financial markets have witnessed significant increase in the total market value. The market capitalization of global financial markets reached 94.3 trillion dollars compared to 74.5 trillion dollars in 2018, an increase of 26.6%. US markets accounted for 44.1% of the total global market capitalization followed by Asian and Pacific markets with 32.9% and European and Middle Eastern markets at 23.0%.

Graph no. (1)
World Market Capitalization for
Global Financial Markets
2012 – 2019



Source: www.wfe.com

As for value traded, it reached about 101.6 trillion dollars for the year 2019 compared to 97.4 trillion dollars for 2018, an increase of 4.3%. US trade values accounted for 57.0% of international trade, followed by Asian and Pacific markets by 31.9% and European and Middle East markets by 11.1%.

Graph no. (2)
World Market Value Traded
2012 – 2019



Source: www.wfe.com

Table (1)
World Market Capitalization and Value Traded

| | Market Capitalization (Trillion Dollars) | Value Traded (Trillion Dollars) |
|------|---|--|
| 2012 | 51.1 | 60.0 |
| 2013 | 59.4 | 61.2 |
| 2014 | 66.8 | 78.0 |
| 2015 | 63.7 | 113.8 |
| 2016 | 70.1 | 84.8 |
| 2017 | 85.3 | 82.8 |
| 2018 | 74.5 | 97.4 |
| 2019 | 94.3 | 101.6 |

Source: World Federation Exchange www.wfe.com

Table no. (2)
World Market Capitalization and Value Traded distributed geographically

| | Market Capitalization (Trillion Dollars) | | | Value Traded (Trillion Dollars) | | |
|------------------------------------|---|-------------|-----------------|--|-------------|-----------------|
| | 2018 | 2019 | % change | 2018 | 2019 | % change |
| Americas | 34.2 | 41.6 | 21.6 | 54.6 | 57.9 | 6.0 |
| Asia-Pacific | 23.9 | 31.0 | 29.7 | 29.2 | 32.4 | 11.0 |
| Europe, Africa, Middle East | 16.4 | 21.7 | 32.3 | 13.6 | 11.3 | -20.1 |
| Total WFE | 74.5 | 94.3 | 26.6 | 97.4 | 101.6 | 4.3 |

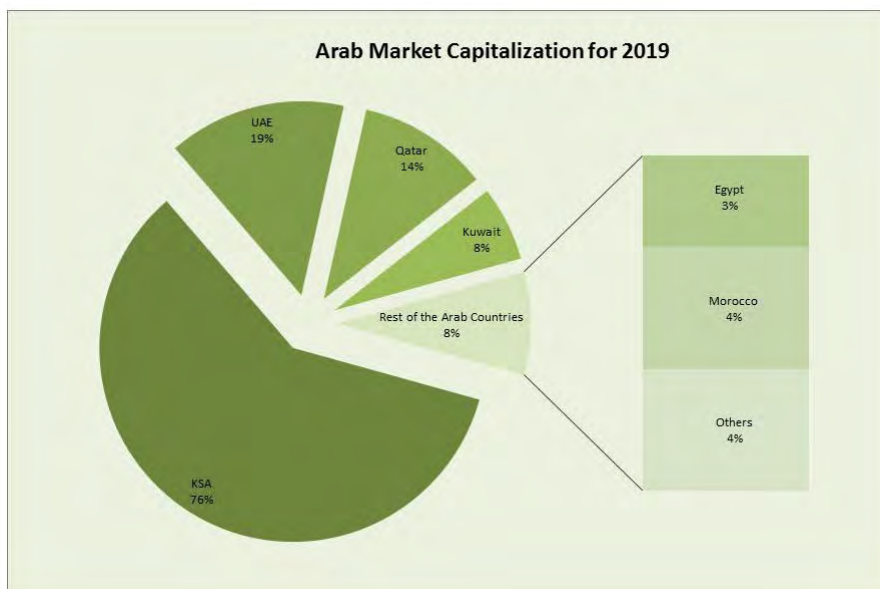
Table no. (3)
World Market Capitalization

| Exchange | 2018 | 2019 | % change |
|------------------------|-------------|-------------|-----------------|
| NYSE (US) | 20.7 | 24.1 | 16.4 |
| NASDAQ OMX (US) | 9.8 | 13.0 | 32.7 |
| Japan Exchange Group | 5.3 | 6.2 | 17.0 |
| NYSE Euronext (Europe) | 3.7 | 4.7 | 27.0 |
| London Stock Exchange | 3.6 | 4.2 | 16.7 |
| Hong Kong Exchanges | 3.8 | 4.9 | 28.9 |
| Shanghai SE | 3.9 | 5.1 | 30.1 |
| Deutsche Börse | 1.8 | 2.0 | 11.1 |
| SIX Swiss Exchange | 1.4 | 1.8 | 28.6 |

Source: World Federation on Exchanges (WFE)

On Arab financial markets, the market capitalization of these markets rose in 2019 to reach (3.2) trillion dollars, an increase of 266%. The market capitalization of Tadawul accounted for 76% of the total market capitalization of the Arab financial markets combined. The increase in the market capitalization of the Arab financial markets this year was mainly due to the increase in the market capitalization of the Saudi Stock Exchange (Tadawul), which rose by more than 375% due to listing of Saudi ARAMCO in 2019.

Graph no. (3)
Market Capitalization
in Arab Capital Markets in 2019



Source: Arab Monetary Fund

As for the Arab composite share price index, it rose to reach 357.2 points at the end of 2019 compared to 324.5 points at the end of 2018, an increase of 10.0%.

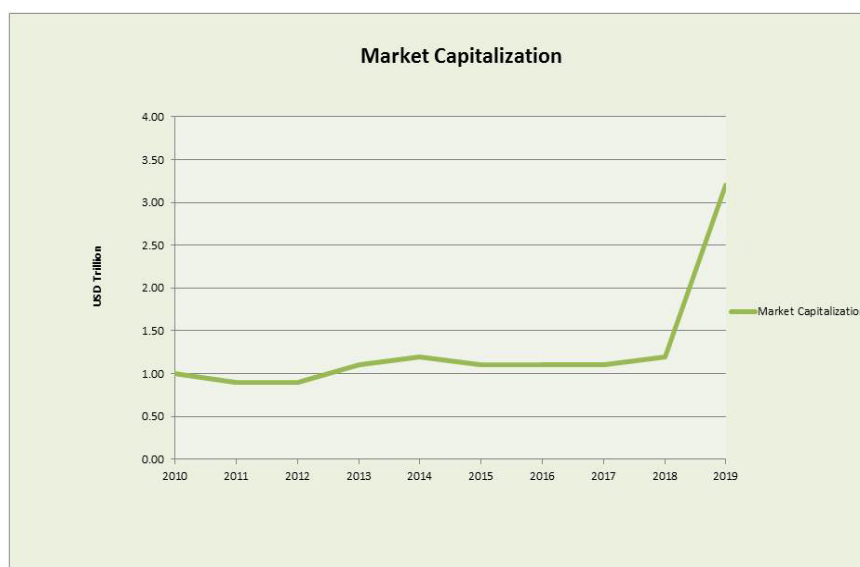
Graph no. (4)
Composite price index
of Arab Capital Markets 2019



Source: Arab Monetary Fund

The values traded increased to reach 341 billion dollars compared to 235 billion dollars in 2018, an increase of 45%. The trading values in most other Arab financial markets witnessed a clear increase in 2019 particularly the Saudi Stock Exchange (Tadawul), which achieved an increase of about 27.6% and accounted for about 64.8% of the total trading values of the Arab financial markets.

Graph no. (5)
Market Capitalization
of Arab Capital Markets 2019



Source: Arab Monetary Fund

Table no. (4)
Market Capitalization and Value Traded in Arab Capital Markets

| | Market Capitalization (Trillion Dollars) | Value Traded (Billion Dollars) | Price Index |
|-------------|--|--|--------------------|
| 2009 | 0.8 | 567 | 272.7 |
| 2010 | 1.0 | 349 | 292.2 |
| 2011 | 0.9 | 380 | 257.6 |
| 2012 | 0.9 | 586 | 261.9 |
| 2013 | 1.1 | 483 | 310.7 |
| 2014 | 1.2 | 801 | 265.7 |
| 2015 | 1.1 | 541 | 222.7 |
| 2016 | 1.1 | 359 | 304.4 |
| 2017 | 1.1 | 268 | 321.5 |
| 2018 | 1.2 | 235 | 324.5 |
| 2019 | 3.2 | 341 | 357.2 |

Source: Arab Monetary Fund





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Members Activities

Members Activities

The members of the Union of Arab Securities Authorities have made considerable progress in 2019, as part of endeavors to enhance Arab financial markets. This was achieved by keeping pace with developments and complying with the international standards in areas related to the regulation and oversight of trading in securities by improving the legislative frameworks to achieve fairness and transparency. Additionally, training courses were organized to improve the level of knowledge and skills of the employees, as well as developing cooperation with numerous regional and international organizations. Activities by the Union members covered the legislative and oversight of the market, training, international cooperation, and enforcement actions.

The most important activities of the UASA members are:

I. Market Regulations:

The Securities and Commodities Authority of UAE (SCA) Board discussed during their 7th meeting a number of matters relating to the development of securities-related financial services and activities and bringing them in line with the best international practices and standards. It also dealt with key issues associated with the sector. Keen to improve the regulations that govern the operations of UAE-based markets and to conduct ongoing reviews of the regulations that regulate securities trades to ensure that they keep pace with the latest developments in international markets.

The Securities and Commodities Authority (SCA), the Financial Services Regulatory Authority (FSRA) of Abu Dhabi Global Market (ADGM) and the Dubai Financial Services Authority (DFSA) announced today that, following the enactment of relevant legislation and rules, a new fund passporting facility is available. This passporting facility, which has been the subject of extensive public consultation since November 2018, will facilitate the promotion of the funds licensed by each authority across the United Arab Emirates (UAE). The implementation of the Passporting Agreement will enhance the UAE's position as an international financial centre and a platform for entrepreneurship. This cooperation will allow new market leaders, investors and companies to expand and grow in the UAE markets, which supports the ESCA efforts and initiatives in providing the appropriate climate for the investment of savings and funds in securities in line with the objectives of the UAE economic development process.

SCA Board approved a study on the adequacy standards for management companies and investment managers and gave companies a grace period for compliance. The adequacy standards regulations comprise nine articles outlining the scope of application, capital adequacy, credit risk, operational risk, market risks (managed assets), risk management and control, penalties, compliance, and term. In its eighth meeting held on March, the board instructed that a study be conducted about the extent of compliance of licensed management companies and investment managers with the adequacy standards and the costs that they will bear if the proposed standards are implemented. The study showed that there are no binding provisions on adequacy standards up until now and no additional fees will be imposed on management companies and investment managers as a result of the implementation of the proposed standards.

The Minister of Economy and Chairman of the Securities and Commodities Authority (SCA), adopted an initiative by the Dubai Financial Market (DFM) to launch a governance index for joint-stock companies listed on local markets. The idea is to create a benchmark that measures the level of compliance with the implementation of the principles of wise governance. This will foster and support the rights of shareholders and investors in UAE-based securities markets as they will have knowledge of the companies that comply with the implementation of governance rules before they buy and invest in their stocks. The ESGUAE index aims at measuring compliance with the implementation of corporate governance and institutional discipline standards across listed companies in an effective, efficient, and professional manner. It also aims to foster the culture of governance and to raise awareness among these companies of the importance of putting into effect the principles of governance and transparency to help them improve their performance,

identify current and future challenges, come up with solutions, and make appropriate recommendations by assessing the performance of their boards. The index is the fruit of collaboration between the DFM, Hawkamah, and Standard & Poor's, which prepared technical studies on this subject. Under this index, companies will be classified according to qualitative and quantitative measurements and their weight will be determined based on their degree of governance.

SCA's board approved the amendment of the provisions of Articles (31) and (34) of the Authority's Board of Directors' Decision No. (2/R) of 2001 regarding the Regulations as to Trading, Clearing, Settlement, Transfer of Ownership and Custody of Securities, which regulate the dates and mechanisms of settlement in the trading in the financial markets in the country, noting that the Abu Dhabi Securities Exchange (ADX) and the Dubai Financial Market (DFM) were coordinated with in this regard, taking into consideration that the amendment is commensurate with the requirements for the promotion of the country's financial markets on the MSCI indices. The amendment adopted by the board to Article (31) allows to grant the clearing house (which is the entity that carries out settlement operations and issues orders of payment of the monies due to customers) the power to change the date and mechanism of settlement in accordance with the criteria for facilitating market accessibility as this is an administrative procedure in the market related to a regulatory mechanism that gives flexibility and authority to set the procedure and the time required for the broker\clearing member to pay off the amounts owed by them in a way that is commensurate with the nature of trading operations in each market.

The Securities and Commodities Authority (SCA), issued a decision concerning capital adequacy standards for investment managers and management companies. The decision will enter into force 30 days from the date of its publication in the official gazette. Companies will be given a one-year grace period for compliance. This decision came after the SCA board has approved a study on adequacy standards for management companies and investment managers. The study was aimed at protecting investor assets and promoting the stability of the financial system through monitoring systemic risks, which is a key requirement by the Financial Stability Board (FSB) and the International Organization of Securities Commissions (IOSCO). The decision includes nine articles on the scope of application, capital adequacy, credit risk, operational risk, market risk (managed assets), risk control and management, penalties, compliance, and entry into effect.

The SCA Board of Directors adopts the general clearing member activity regulations, and the amendments to four regulations including "the financial reports requirements for licensed activities", definition of "qualified investor", and "material information", also adopted a system to enhance the protection of investors' rights in securities. The meeting also included the approval of application of procedures related to the listed companies that have accumulated losses of 20% or more on the trading platforms in markets. The SCA Board also reviewed a study on the global practices concerning the strategies of financial markets authorities with respect to financial inclusion and a proposed road map for implementation of financial inclusion strategy in financial markets in the UAE in coordination with a number of various authorities in the country. Furthermore, the Board approved the project as a pioneering initiative by SCA and it ordered to start coordinating with other authorities in the country in this regard.

The SCA Consultants Council discussed a number of developments related to the international financial markets and their repercussions on the UAE markets, and reviewed the recent global trends with regard to the securities industry, especially with regard to the need for keeping pace with the impact of accelerated technology on the work of markets and their regulators. A statement issued by the SCA after the meeting pointed out that at the level of Investor Protection, the recommendations included the possibility of establishing Investor Protection Funds as an important means to protect them, not stipulating provisions regulating the securities market in the companies law so that all provisions are included in the SCA law, the necessity for separating trading commissions from financial consulting commissions, the adhering to apply the requirements of suitability when selling financial products to customers, taking into account the international experiences and practices that took into account the prevention of the sale of some complex and dangerous products to individual investors, emphasizing the need to establish the requirements for

accreditation and control of external auditors, and setting standards for members of listed companies' boards. With regard to the promotion of SMEs, the recommendations also included establishing rules specially facilitated for SMEs to facilitate listing them in the second markets, with the need to have a listing consultant, and simplifying the bond issuance by SMEs through cooperation with markets to use artificial intelligence and Blockchain, taking advantage of the global experience, in which governments allocate funding to research bodies in order to prepare research and reports on these enterprises. In addition, the participants discussed the remarkable global technological developments with respect to blockchain, artificial intelligence, and expressed their interest in the rapid growth in the field of financial technology "FinTech" and encrypted assets, emphasizing the importance of the need for legislation regulating the same, and that the regulatory authorities should have the competencies and capabilities necessary for controlling the advanced technology. In the context of Investor Protection, they discussed, during the meeting, the possibility of increasing the period to invite the General Assembly, the need for providing voting by electronic means for investors in the general assemblies, the possibility of appointing a body to vote on their behalf according to controls set by the SCA, and the need setting controls for proxy. Regarding the regulation of OTC derivatives regulation, the meeting-participating experts and the SCA representatives considered OTC derivatives regulation with a commitment to central clearing and operation disclosure, taking into account the availability of a large industry volume justifying their regulation. Otherwise, risk reduction measures shall be applied to them by increasing capital requirements.

The Securities and Commodities Authority (SCA) has posted draft regulations concerning crypto assets on its website. It, therefore, urges all relevant parties—including investors, brokers, financial analysts, researchers, media personnel, and others—to provide their feedback and input on the draft, preferably. SCA will take such input into consideration when working on the final wording of the regulations. Crypto Asset Regulations will encompass all aspects of Crypto Assets industry in the UAE ranging from token issuance requirements to trading and safekeeping practices with emphasis on protecting investor interests with compliance of financial crime prevention measures, crypto-asset safe-keeping standards, information security controls, technology governance norms and conduct of business requirements for all market intermediaries. Crypto Asset Regulations lay down standards and requirements for wide range of market participants like Issuers of securities, Investors including Qualified Investors, Custodians, Crypto trading platforms, Brokers and Promoters engaged in Crypto Asset industry.

In Tunisia, an enactment of the Law dated May 29th, 2019 relating to the improvement of the investment climate. This Law was mainly designed to address the deficiencies identified in the Doing business report of the World Bank that assesses the different countries' investment climate and to comply with the international standards in this respect. This transversal law was focused on the enhanced simplification of the regulatory framework governing the economic activities and reducing the administrative procedures related to projects and companies' launching in addition to defining the governance good practices for existing companies and persifying the financing sources. Another enactment of the Governmental Decree dated May 17th, 2019 relating to the implementation measures of the United Nations relevant structures 'resolutions regarding terrorism financing fighting and non-proliferation of weapons of massive destruction, repealing and replacing the Governmental Decree dated February 1st, 2019 and later amended and supplemented by the Governmental Decree dated May 31st, 2019.

The CONSEIL DU MARCHÉ FINANCIER (CMF) in Tunisia presented an enactment of the Law dated April 30th, 2019 relating to the audit court "La Cour des Comptes" and defining the audit court remit, organization and the applicable proceedings. Another enactment of the Minister of Finance Order dated August 15th, 2019 relating to the visa of the Tunis stock exchange's CMF Regulation amendments. This amendment came up with important developments, included the introduction and the regulation of the Sukuks market; the review of the alternative market; and the enhancement of the corporate governance rules within companies listed on the main market.

In KSA, The Capital Market Authority (CMA) has announced regarding the procedures and requirements relating to the issuer whose securities are listed on the exchange when applying for court for commencing a financial restructuring procedure in accordance with the bankruptcy law. The CMA's Board issued its resolution regarding the adoptions of the amended Corporate Governance Regulations, the Regulatory Rules and Procedures Issued Pursuant to the Companies Law relating to Listed Joint Stock Companies and the Guidance Note to the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies, to be effective upon their publication date. The amendments come in line with the amendments made to the Companies Law issued by the Royal Decree Number (M/79) dated 25/07/2018G, as these amendments granted the competent authorities to establish rules of authorization for businesses or contracts that are made for the company, which a board member has direct or indirect interest in, and rules of authorization over the engagement of a Board Member in any business that may compete with the company or with one of its activity.

The CMA's Board issued its resolution on 1/9/1440H corresponding to 6/5/2019G to publish the proposed amendments to the Rules on the Offer of Securities and Continuing Obligations, for public consultation, for a period of 30 calendar days ending on 2/10/1440H corresponding to 5/6/2019G. The proposed amendments to the Rules on the Offer of Securities and Continuing Obligations comes in line with the Authority's objectives to regulate and develop the Capital Market, and the efforts of the Authority and the Saudi Stock Exchange Company (Tadawul) to encourage foreign issuers to list their shares in the Main Market, promote the trading and listing in the Parallel Market and enable direct listing of shares in the Parallel Market. The amendments come at the same time with the proposed amendments to the Listing Rules issued by the Saudi Stock Exchange Company (Tadawul) to this regards, and which will be published for public consultation in concurrence with the publication of the Rules on the Offer of Securities and Continuing Obligations for the same purpose.

The CMA's Board has issued its decision to adopt the Instructions for the Foreign Strategic Investors' Ownership in Listed Companies "instructions", to be effective as of the date of their publication, after the Draft Instructions were made available for public consultation on the Authority's website for a period of (30) calendar days. The aforementioned Board Decision further included amending subparagraph (a\2) of Article (14) of the Rules for Qualified Foreign Financial Institutions Investment in Listed Securities and paragraph (2) of Part (3) of the Guidance Note for the investment of Non-Resident Foreigners in the Parallel Market by adding the following statement: "except the foreign strategic investors pursuant to the Instructions for the Foreign Strategic Investors' Ownership in Listed Companies" to be read as follows: "The maximum proportion of the shares of any issuer whose shares are listed or convertible debt instrument of the issuer that may be owned by all foreign investors (in all categories, whether residents or non-residents, except the foreign strategic investors pursuant to the Instructions for the Foreign Strategic Investors' Ownership in Listed Companies) in aggregate is 49%.

The Saudi CMA announced the amendment of the Capital Market Law, the amendment aims to enhance the role of the Authority in investor protection, in addition to keeping up with the developments in the international capital markets and contribute in developing the operating institutions in the capital market. His Excellency also stated that the Authority places the responsibility to review and continuously improve the regulatory environment on the top of its priorities, it believes in the importance and impact of that on the growth and development of the Capital Market and its operating institutions in order to achieve the Authority's vision for the Saudi Capital Market to become the leading market in the Middle East and one of the top ten markets in the world. The amendments will aid in developing capital market infrastructure institutions and reducing risks, in addition to enabling new classes of securities and attracting foreign investment to the capital market by granting the Authority the power to authorize the capital market infrastructure institutions, which include the Exchange, the Depository Center and the Clearing Center, in addition to regulating the securities clearing center and activating its role in performing its duties and obligations within the capital market infrastructure institutions. The amendments will help develop the mechanisms for the compensations of affected investors in the Capital Market by developing the mechanism of the class action suit and activate the affected investors' compensation funds, and facilitating the provision of the

affected persons with the due compensations and expedite the procedures in this regard. His Excellency also stated that the amendments will enhance the efficiency and attractiveness of the Capital Market and raise the level of its soundness and integrity. The amendments will also aim towards achieving fairness in securities transactions, by amending some of the penalties stipulated in the Capital Market Law and granting the Authority some additional powers to address violations in a manner that will enhance the efficiency of deterrence.

The CMA's Board has adopted the amended Rules on the Offer of Securities and Continuing Obligations (the Rules). The Rules shall be effective upon its publication date, except for paragraphs (1) and (3) of Article 90 of the Rules. The most prominent amendments that aim at developing the Parallel Market (Nomu) and promoting the trading and listing in it are allowing the direct listing in the Parallel Market, and regulating the provisions related to it in the Rules and the Listing Rules. In addition to changing the disclosure requirement of the interim financial statements from quarterly basis to semi-annual basis for companies listed on the Parallel Market. In addition, a number of amendments have been adopted to the Rules that will allow foreign issuers to list their shares on the main market, by stating the provisions with which the foreign issuer who submits an application for listing in the Main Market in accordance with the listing rules shall comply. It is also worth mentioning that the CMA Board's resolution to adopt the Rules included that the investments limits imposed by the Capital Market Law and its implementing regulations on the investments of foreign investors shall not apply to the investments of foreign investors (of all categories, whether resident or non-resident) in the shares of the foreign issuer that are listed on the Main Market in accordance with the Listing Rules. In addition, the aforementioned resolution also provides that all categories of foreign investors are allowed to invest directly in the shares of the foreign issuer whose shares are listed on the Main Market in accordance with the Listing Rules.

In Oman, the new Commercial Companies Law comes at a time the Sultanate of Oman is preparing for 2040 vision which focuses on enabling the private sector to take the lead in the production process and effectively contributing to the growth of the economy and creating employment opportunities for the citizens. Thus, the development of the legislative structure and creating investment friendly environment within this vision which aims to make the Sultanate of Oman attractive and encouraging to the local and foreign investment. The role of the Government will be complementary and supportive to the role of the private sector. It is an auspicious coincidence to issue this significant law at this time.

The Chairman of the Board of Directors of the Capital Market Authority in Oman has issued an administrative decision issuing the Take over and Acquisition Regulation for the public joint stock companies listed on the Muscat Securities Market (MSM) which was published in the Official Gazette on 19 May 2019 pursuant to Article 7 of the Capital Market Law. The regulation aims to regulate take over and acquisition processes at not more than 25% of the shares of public joint stock companies and controlling percentage in the company to provide protection for shareholders and for fair, transparent and equitable treatment of all the parties and to provide exit in cases of acquisition. The Regulation is a government initiative in the economic persification process "Tanfeeth" supervised by the Unit of Implementation and Follow Up. The regulation stipulated the parties it applies to such as offeror and offeree, processes of acquisition and take over, timings and terms and conditions for take over and acquisition offers and percentages of take over offers. The Executive President of the Capital Market Authority confirmed that the Government agreed to suspend the income tax related to dividends on shares and interests at 10% imposed after the issuance of the Income Tax Law promulgated by Royal Decree No. 9/2017 for three years as from May 6, 2019 extendable, this will create an attractive environment for foreign investments for the development of the national economy and the national interests in view of the open doors policy adopted by the Sultanate with regard to the foreign investments and economic principles which would enable the private sector to play a greater role in the comprehensive development programs and policies. This decision would provide more incentives and facilities to attract direct and indirect foreign investments and Oman would be attractive destination for global investment and robust securities market.

The CMA of Oman has invited all public joint stock companies, audit firms and law firms to opine and

comment on the draft regulation for implementation of the Commercial Companies Law with regard to public joint stock companies. A team completed the preparation of the draft regulation and posted it on the CMA's website and asked all the stakeholders to opine on it to achieve the principle of participation in drafting the regulations regulating the businesses of public joint stock companies.

In Qatar Financial Markets Authority (QFMA), the board of directors issued Decision No. 5 of 2019 concerning the new "Financial Services Rulebook". The Rulebook promotes to perform the financial services activities set out in Article (4) thereof, after obtaining the required license from the QFMA. The Rulebook obliges all concerned entities subject to the QFMA's jurisdiction to implement it. The Rulebook provides less requirements than the previous one regarding the capital required for performing such activities, in order to enhance financial liquidity at Qatar Stock Exchange, attract and encourage foreign and local investment for better competitiveness. It will also improve the quality of the financial services provided to participants and investors of the capital market, which would in turn increase the competitiveness of Qatar's economy and increase economic growth rate in line with Qatar National Vision "QNV" 2030. According to the Rulebook, for granting a license to perform financial services activities, the applicant shall meet a number of requirements, including what related to the paid up capital which is a minimum of QR 3 million for the executive broker, QR10 million for clearing brokers, and QR 20 million for comprehensive brokers. For other financial services companies licensed to perform all financial services activities (excluding margin trading, securities' lending and borrowing, execution of securities purchase and sale's orders for a third party, own securities' trading, market maker and liquidity provider), the minimum paid up capital shall be QR 25 million.

Qatar Financial Markets Authority (QFMA) announced the issuance of Governance Code for Listed Funds and Listing Rules for Funds' Units listed in the Qatar Stock Exchange (QSE). This issuance comes as a part of the QFMA's ongoing development of its regulations to enhance attractiveness of investment environment of the capital market, as well as to increase persity of the financial products listed in QSE.

While in Kuwait, the Capital Market Authority (CMA) started to implement one of its strategic approaches "Preparation of the Capital Adequacy Rules for Licensed Persons", which represents a legal entitlement in accordance with the provisions of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities, and its Executive Bylaws and their amendments, in particular item No. (2) of Article (66) of the Law, which stipulates that "A Person licensed to engage in the management of Securities activities shall comply with the regulations specified in the Bylaws and in particular as follows: 2- Maintain adequate capital". Additionally, Article (6-4) of Module Six (Policies & Procedures of Licensed Persons) of the Executive Bylaws of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their amendments, stipulates that "The Authority has the right to impose additional requirements or to make requests for specific reports to ensure that the Licensed Person has the ability to continue their business, particularly holding a sufficiency of capital, in a manner that is commensurate with the nature and volume of the Securities Activities that they carry out."

The CMA Kuwait announced the issuance and application of Capital Adequacy Regulations for Licensed Persons, and the new requirements of the paid-up capitals of the list of licensed activities. These rules will be included in a new module (Module Seventeen) along with the set of modules of the Executive Bylaws of Law No. (7) of 2010 regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their amendments. Some provisions of the same Executive Bylaws will be amended to reflect the new requirements of the paid-up capitals of the list of licensed activities licenses. In addition, transitional provisions were set for the implementation of the rules included in Resolution No. (170) of 2019. The CMA issued Resolution No. (151) of 2019 Regarding Amending Some Provisions of the Executive Bylaws of Law No. (7) of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their Amendments for the Omnibus Account Implementation and Resolution No. (152) of 2019 Regarding the Approval of the Rules Necessary for the Implementation of the "Omnibus Account" and "Same NIN Crossing". The amendments to CMA Bylaws resulted in adding certain definitions related to the "Omnibus Account" in Module One, in addition to amendments in some regulatory provisions in Module Four and Module Eleven. The CMA also approved the rules of Boursa Kuwait (BK) and the rules of

Kuwait Clearing Company (KCC) that are necessary to provide the Omnibus Account Structure and Same NIN Crossing to take effect from the date of issuance of the above mentioned resolutions.

In Egypt, the Financial Regulatory Authority (FRA) Board of Directors (BOD) approved a new draft law to regulate consumer finance activity and moved forward to send it to the competent official authorities to issue the legislation. The draft law consisted of twenty nine articles regulating each activity aimed at providing financing to purchase goods and services for consumption purposes in Egypt. In addition, it included financing through commercial payment cards or payment systems. FRA's BOD approved the issuance of capital adequacy standards for financial leasing and factoring companies. The said standards will enhance the ability of companies to provide financing through credit risk management and facing operational risk management according to the best international practices of credit risk measurement methods. The said rules will maintain the safety and stability of non-banking financial markets and protect consumer rights. FRA's BOD approved in its last session the statute of the Egyptian Securities Federation. The Board grants the Federation an independent legal personality which contributes to the development of the Capital Market and raises awareness of it. Also, FRA's BOD stressed that members' of the Federation shall abide by the code of ethics and rules governing the obligations and rights of the members. Besides, it shall develop the skills of those operating in the field of securities.

FRA issued regulatory decision no. (268) of 2019 on short selling rules and activating the mechanism. The Egyptian Stock Exchange, MCDR shall prepare and set up the automated systems and technical requirements related to short selling mechanism. Both parties shall inform the Authority before activating the mechanism. FRA's Chairman revealed that FRA's Board approved several procedures included amendments to listing and delisting on the Stock Exchange. The said amendments will stimulate Egyptian and foreign companies to move towards listing on the Egyptian Stock Exchange. In addition, FRA's Chairman issued a procedural decision to form a Founding Committee to elect the first board of the Egyptian Securities Federation under the chairmanship of Mr. Sulaiman Nazmi and the membership of four representatives of companies licensed to carry out securities activity or subjected to the provisions of Central Depository and Registry Law. FRA's Chairman stated that the said decision defined the functions of the Founding Committee in taking the necessary procedures upon joining the companies licensed by the Authority to practice one of activities related to the field of securities and subjected to the provisions of the Capital Market Law and the Central Depository and Registry Law. The committee shall follow the procedures for convening the first General Assembly of the Federation to elect the Board of Directors and this shall be within a period not exceeding six months from the date of the issuance of decision no. (375) of 2019.

As part of FRA's effort in developing and activating investment funds as a non-banking financial activity, and within the framework of facilitating the procedures of investment funds in general, and activating the role of Real estate investment trusts through removing the obstacles arising upon establishing the fund, FRA's BOD approved a draft amendment to some provisions governing Real estate investment trusts and stated in the Executive Regulations of the Capital Market Law. Moreover, FRA facilitated the establishment of a new futures company and allowed the Egyptian Stock Exchange to trade in derivative according to certain technical and regulatory determinants within the framework of implementing the roadmap set by the Authority to activate Futures Exchanges and trading in derivatives either through licensing the establishment of a new entity " Futures Exchanges" or granting license to the Egyptian Stock Exchange to engage in the activity without the need to establish a company, FRA's Chairman emphasized that FRA's BOD approved in its last session a decision allowing the Authority to grant license to joint-stock companies to engage in futures contracts after ensuring that it meets all the procedures and conditions prescribed by law to establish companies operating in the field of securities and after obtaining FRA's BOD approval.

FRA's Board of Directors has approved an amendment to listing and delisting rules by decision no. 43 of 2019. The said decision stipulated that in cases of conflict of interest, FRA's Board may limit the vote on the optional delisting in the Extraordinary General Assembly of the Company to minority shareholders (Free-Trading Shares) without the vote of the principal shareholder/s and their related parties. FRA's Chairman

said that the Board of Directors approved the issuance of the controls and procedures to be complied with at the public offering and private placement. FRA's Chairman added that the Egyptian capital market is currently witnessing a trend towards increasing the number of companies to be listed on the Stock Exchange, whether through private sector companies' offerings and the state-owned companies' offerings program, which is expected to add about 35 new companies to the capital market. In this respect, 275 companies will be listed on the Egyptian Stock Exchange, and market capitalization will be increased to 1.6 trillion pounds by the end of 2022 according to FRA's comprehensive strategy for non-banking financial activities 2018-2022.

In addition, FRA issued periodical memo no. (2) of 2019 to regulate the Use of Cashless Payment Methods in financial transactions for all companies and entities subjected to FRA's. The periodical memo has defined the scope of compliance with Cashless Payment Methods in financial transactions. Entities and companies under FRA's supervision shall settle their financial obligations - by using Cashless Payment Methods - when they exceed the limits specified in the Law's Executive Regulations. Also, upon granting cash financing provided by Mortgage finance companies, financial leasing or factoring companies, microfinance companies or any non-banking financial institution or upon distributing the profits resulting from the contribution to companies' capital or investment funds, payments to syndicates' members and participants in private insurance funds and insurance compensation. Also, using Cashless Payment Methods upon granting subsidies and donations by NGOs or other private legal persons and establishments of various kinds. Also, upon paying fees in cases of purchase or rent or exploitation or use of land or real estate. Upon paying the dues of suppliers, contractors, service providers.

FRA's BOD approved a draft law on amending the provisions of Law No. (141) of 2014 on regulating microfinance. The new amendment will cover all financing activities granted for micro, small, and medium-sized enterprises (MSMEs). In this respect, this will enable the maximum number of target groups and SMEs to access various means of finance. The draft law will be sent to the Prime Minister for its issuance. The draft law is a step that is taken by the regulator to comprehend the developments revealed by the actual application of the law over the past four years regarding the need to increase finance value granted to clients. In addition, the new amendments will provide a new finance ceiling for another category to facilitate the associations and civil institutions engaged in finance activity in light of the variables witnessed by the Egyptian economy. Also, FRA's Chairman issued decision no. 74 of 2019 on exempting Holding Companies - that engaged in company incorporation or capital increase in accordance with requirements stated in Capital Market Law and related decisions- from abiding by the conditions stated in the ownership structure which shall be met by the companies upon establishment and licensing. FRA's Chairman emphasized that the decision came in accordance with FRA's BOD approval at its meeting last week to grant Holding Companies a facilitation upon its establishment due to the effective role it plays in establishing new companies and increasing their capital in order to provide new job opportunities. That is besides its role in increasing the production of goods and services, which in turn is reflected in the GDP growth rate. FRA's Chairman explained that decision no. (74) of 2019 contributes to the implementation of the Sustainable Development Strategy (SDS): Egypt Vision 2030, as Holding Companies play an active role in increasing direct investment.

Moreover, FRA's BOD approved a proposal to amend some provisions of the Central Depository and Registry Law to become a comprehensive law regulating clearing and settlement transactions both in the present and future markets. That is besides some provisions governing clearing and settlement of derivatives, commodities, other financial instruments or indicators. The new law will include clearing and settlement of all securities, namely government securities, whether treasury bills or government bonds. In order to activate Futures Exchanges and to update its system of work, the proposed amendment allows companies to be licensed by the Authority to carry out clearing and settlement of futures contracts, whether this license is granted to central depository and registry companies or through a new company established for this purpose.

FRA's BOD announced the ministerial decree no. (1347) of 2019 on amending some provisions of the

Executive Regulations of the Capital Market Law stipulated that Management Services Company shall conduct periodical valuation of the REITs' total assets every six months at least (instead of every three months)). This shall be applied on (REITs) that are not listed at the Stock Exchange in order to reduce the financial burden on the Fund, given the nature of some (REITs) targeting long-term investment in unlisted real estate assets or securities. Meanwhile, if the Fund is listed at the Stock Exchange, the valuation shall be conducted quarterly. FRA's Chairman added that the amendments have taken into account "further facilitation and easing of financial burdens so that the REITs' assets will be valued by one or more of the Real Estate Appraisal Experts listed at FRA's registry - rather than requiring that the valuation be made by two experts - who must be independent of either party. Upon the preparation of the report, real estate appraisers shall abide by the Egyptian Financial valuation Standards issued by FRA's BOD. The report shall only be sent to the Auditor without interfering with valuation tasks.

FRA announced the establishment of an Arbitration Center which will settle disputes arising from applying laws in connection with non-banking financial transactions pursuant to Republican Decree No. 335 of 2019. The said Decree was issued to activate Article 10 of Law No. 10 of 2009 on regulating non-banking financial markets and instruments, which included the establishment of an Arbitration Center. This Article allowed those dealing in non-banking financial markets to resort to Arbitration Center if they agreed to settle disputes through arbitration. In this respect, investors may resort to mechanisms granted for them through legislations governing non-banking financial markets, where these mechanisms are efficient, effective and prompt to settle and resolve disputes arising from service providers. In addition, FRA's Chairman launched a guide prepared by the Authority on sukuk issuance. Sukuk is a new financing tool introduced in the Capital Market in accordance with the latest legislative amendments. The guide defines sukuk mechanism, securitization process, its parties, issuance conditions, rules, procedures and listing and trading rules. Issuing such guide represents FRA's continuous efforts to develop and raise Capital Market efficiency. The guide introduces the new financial instrument after finishing the legal framework for issuances, procedures and trading in Sukuk and after amending the Capital Market Law No. 17 of 2018 and issuing a Ministerial Decree to amend the Executive Regulations of the referred Law to include detailed provisions on Sukuk rules and several BOD decisions that are issued pursuant to the law and its Executive Regulations.

Additionally, a new law on "REGULATING THE PRACTICE OF CIVIL WORK" is launched to allow NGOs to practice non-banking financial activities after obtaining the needed license from FRA. The provisions of the law have taken into account the Egyptian experience for the last five years starting from 2014 with the issuance of Law 141 of 2014 on regulating the activity of microfinance, FRA's executive decisions and controls necessary to regulate the activity and licensing requirements for NGOs to practice microfinance. Article (33) of Law on regulating the practice of civil work has allowed NGOs to establish or contribute to the establishment of charitable companies and investment funds linked to their activities provided that the distribution of profits and returns resulting from their investments shall be spent on social or charitable purposes through associations. This is after the approval of the competent minister, without prejudice to the obligations imposed on the founders of these companies or funds in any other law.

FRA's BOD approves licensing SME credit rating agencies in order to provide alternatives for SME Finance. This regulatory step to provide SME finance through issuing different types of bonds, including medium-term bonds for capital assets financing and short-term bonds for working capital financing. It should be noted that within the framework of providing SME finance, Law No. 176 of 2018 was issued to regulate financial leasing and factoring and activate these activities so as to provide SME finance. Since March 2018, the Egyptian collateral registry has been activated to enable SMEs to get funds on guarantee of their movable assets through an electronic system without the need to transfer the movable possession and the movable assets shall stay in the possession of the debtor. It is worth mentioning that publicity value is 520 billion EGP. FRA's BOD approves the addition of a new article no. (28) bis to FRA's BOD decision no.(20) of 2019 on the statute of the Egyptian Federation for Securities. The said article states that the member company, its affiliates and companies under the effective control of the same natural or legal person may not present more than one candidate to the membership of the Federation's BOD. FRA's Chairman issued two decisions no. (123 and 124) of 2019, including an amendment to listing and delisting rules to

ensure women's representation on Boards of listed companies and companies operating in non-banking financial activities. This comes within the framework of improving Egypt's ranking in the Doing Business report. The issuance of this decision is also in line with FRA's approach to achieve sustainable development and empowering women to be represented on the boards of directors of companies under its supervision. FRA's Board had approved an amendment to listing and delisting rules by introducing a clause in Article 6 of FRA's Board's decision no. 11 of 2014 on listing and delisting rules, namely the necessity of women's representation on corporate Boards. Besides, amending decision no. 53 of 2018 on licensing requirements and rules of ownership of shares of companies operating in non-banking financial activities.

FRA's BOD approved to amend listing and delisting rules, as well as amending licensing rules for companies operating in the field of non-banking financial activities. In accordance with this amendment, cumulative voting mechanism shall be applied upon holding board elections in a manner that allows proportional representation whenever possible. Noting that cumulative voting is one of the conditions required upon listing on the stock market for listed companies and one of the conditions for licensing and transferring ownership for companies operating in the field of non-banking financial activities, that is without the need to include that amendment into their statutes. In the middle of 2018, FRA has already issued decisions No. (154) and (155) regarding the necessity of amending the statute of companies listed on the Egyptian Stock Exchange and companies operating in non-banking financial activities. The said decisions stipulated that cumulative voting mechanism shall be applied upon electing Board members in a manner that allow proportional representation in Board membership so as to protect small investors in those companies. Also, both decisions granted the addressed companies a deadline to reconcile their positions until 31 December 2019.

FRA announced the approval of the Board of Directors to exempt issuers of green bonds from 50% of services and examination fees. In this respect, the fees will be half per thousand of issuance value at IPO and a quarter per thousand of issuance value at private subscription, instead of one per thousand of issuance value at IPO, and half per thousand of issuance value at private subscription. This step will be a move to stimulate and encourage institutions and companies to issue Green bonds. In addition, FRA's BOD approved an amendment to investment funds rules. The new amendment allows private legal entities other than entities subjected to the FRA's supervision - where investment shall be included among its purposes - to start investment funds activity with banks licensed by the Authority and approved by the Central Bank. In addition, private legal entities engaged in investment funds shall operate with insurance and reinsurance companies, companies engaged in establishing companies which issue securities or increase their capital (investment banks) and microfinance companies licensed by the Authority to carry out these activities and granted a license by FRA to practice investment funds activity. Also, FRA's BOD approved the statute of both Financial Leasing Union and the Egyptian Factoring Union; each Union shall have its legal independent personality which will contribute in developing financial leasing and factoring, raising awareness of both activities and adopting initiatives supporting both activities. Both Unions shall ensure that members apply the code of ethics and the rules governing their obligations and rights that are besides developing skills of those operating in both activities.

FRA announced the issuance of the Ministerial Decree No. 2339 of 2019 to reorganize the Egyptian Investor Protection Fund. In addition, at the same time FRA tends to reduce fees on the Egyptian Exchange's transactions by 50% to be ten per 100,000. The Fund includes in its membership each company that has securities or financial instruments listed on the Egyptian Stock Exchanges. Besides, each company operating in the field of securities and financial instruments - and conducts one or more activities - as clearing and settlement in securities transactions, central depository and registration, asset management, mutual funds' management, brokerage in securities, bond brokerage, and custodian activity. In addition, upon the proposal by FRA's BOD, Prime Minister may add any other activities pursuant to the provisions of the law. A board of directors formed by a Ministerial Decree will manage the "Investor Protection Fund against Non-Commercial Risks". It shall include in its membership a representative of investors in the Egyptian Exchanges - selected by the Prime Minister according to a recommendation by FRA's Chairman - a representative of the Egyptian Exchange selected by the Chairman of the Exchange. That is besides three experts selected

by FRA's BOD, three other members elected in accordance with the rules and procedures issued by FRA's BOD decision representing the Fund's member companies (Brokerage companies , securities and non-brokerage firms, and listed companies).

FRA held a number of discussions and meetings with the market parties, presented and received proposals related to reducing fees on the Egyptian Exchange's (EGX) transactions in order to encourage investment and create a competitive investment environment between global and regional financial markets. In this context, Ministerial Decree No. 2339 of 2019 was issued approving FRA's BOD proposal to amend the statute of Investor Protection Fund. The proposal reduced the amount charged by the Fund on transaction's value to 1 per ten thousand instead of 2 per ten thousand, a reduction of up to 50% of what was previously paid. The Ministerial Decree also extended the coverage of Fund's compensations to non-commercial risks arising from listed companies and companies operating in the field of securities. Moreover, FRA's BOD approved a draft resolution on establishing the Regional Center for Sustainable Finance (RCSF). The draft resolution will be submitted to the Prime Minister to take the necessary measures to issue a presidential decree in this regard. This step is considered as an executive procedure to accelerate the transformation towards a green and sustainable economy and create the necessary information and research base to help entities and companies take the necessary actions and decisions to comply with environmental and social standards in Africa and the Middle East.

II. Market Oversight:

The Securities and Commodities Authority of UAE (SCA) announced SCA's capital market sustainability plan at the Abu Dhabi Sustainable Finance Forum held by the Abu Dhabi Global Market. This announcement came after the draft plan was posted on SCA's website for discussion by industry actors. The plan is centered on seven pillars, including rating and standard setting, legal and regulatory framework, market platform and investment instruments, corporate governance, transparency and disclosure, awareness and education, and awards and incentives. The components of this plan are so closely related that the success of one depends on the success of all others. There are topics that are common between those seven pillars, including responsible investing, transparency and disclosure, awareness, effective governance, incentives, guiding standards and principles, innovation, engaging stakeholders, and cooperation. In addition, SCA issued Board Chairman's Decision No. (3/Chairman) of 2019 amending Board Chairman's Decision No. (07/Chairman) of 2016 relating to Institutional Discipline Standards and Governance of Public Joint-Stock Companies. This complements SCA's efforts to keep up with the block chain technologies and to employ such technologies to strengthen procedures, save costs, improve the environment, support sustainable development, and meet the requirements for developing standards for the governance of public joint-stock companies.

As part of its strategic orientation to adopt and implement the standards of innovation and excellence, H.E. Minister of Economy and Chairman of the Securities and Commodities Authority (SCA), launched SCA's improved e-services system on the sidelines of a board meeting held in Dubai. The new system covers SCA's internal procedures and serves all targeted segments, including brokers, mutual funds, investors, financial services companies, and securities and commodities markets. Work is underway to launch a new wave of e-services over the coming period. The services will cover SCA's Professional Training and Examinations Centre, the Enforcement Department, the Issuance and Registration Department, Market Supervision Department, and the Supervision and Compliance Department.

Moreover, the Capital Markets Advisory Committee held its meeting to discuss number of subjects related to the regulation of the securities sector and the promotion of state markets on global indicators. The meeting was attended by members of the committee, representatives of the financial markets in the State, Dubai Gold & Commodities Exchange and the corresponding authorities in free zones, brokers, representatives of investment funds and public joint-stock companies, and the SCA's team. The meeting discussed number of important themes related to aspects of central clearing, market maker, self-regulatory institutions, financial inclusion and education, benefiting from pension funds as well as development of the

asset management industry. The discussions that took place at the meeting resulted in a set of directions and recommendations aimed at developing the system of financial activities and services to match the best international standards and practices.

A panel of leading UAE authorities and financial exchanges has established a first-of-its-kind Working Group on Sustainable Finance. The Working Group will play a key role in supporting the UAE government's sustainable growth agenda through encouraging closer collaboration and joint initiatives among its members. Reinforcing the UAE's commitment to pursuing a sustainable growth pathway set out in initiatives such as the UAE 2021 Vision, the UAE Green Agenda 2015-2030 and the 2016 Dubai Declaration, the move follows the Abu Dhabi Sustainable Finance Declaration initiated during the Abu Dhabi Sustainable Finance Forum (ADSFF) in January 2019. The pioneering Working Group, comprising UAE government agencies, financial regulatory authorities and stock exchanges (Authorities), is seeking to establish a framework on sustainable finance that facilitates, among others, new and ongoing sustainable investments in the UAE.

In Tunisia, the CONSEIL DU MARCHÉ FINANCIER (CMF) has executed a couple of supervision activities, this includes the continuation of the implementation of the MENA-FATF action plan and preparation for the upcoming on-site inspections scheduled for mid-September 2019, and deciding trading halts against public companies on the ground of incompliance with the information disclosure requirement (Only one company against (2) in Q1 of 2019).

While in KSA, and in continuation of CMA's efforts to raise the level of knowledge of the personnel in the field of asset management and investment analysis and to enhance their technical capabilities, taking into account the importance of qualified human capital in the development of the capital market sector, CMA would like to announce that the BoC has approved the launch of the International Certificate in Wealth Management and Investment provided by the Chartered Institute for Securities & Investment (CISI). This is in cooperation with the Financial Academy -the training arm of the financial sector- which is mainly concerned with developing the capabilities and skills of financial market personnel, and administering professional examinations for the financial sector. This certificate covers the fundamentals of investment and its analysis. It shall be required from persons to be registered under the Management activity such as fund managers, investment portfolio managers and related investment analysts as of 30/06/2020. Currently Registered Persons must obtain the above certificate prior to 30/6/2021.

The Capital Markets Authority of Oman (CMA), issued administrative decision No. 8/2018 relating to issuance of the Rules for accreditation of the auditors. The rules focus on the licensing term for the audit firms to practice auditing processes of the companies regulated by CMA. The rules states the licenses is for two renewable years. The move comes to ease the process of follow up and evaluation of the firms to ensure meeting the requirements of professional conduct according to the required standards of efficiency and quality of professional performance derived from the quality of services rendered to investors which must be of high quality, objective and trustworthy to contribute to revealing points of weakness and strength in the financial performance of the companies to enhance their growth and ability of advancement to serve the national economy beside providing protection to investors through sound statements to take informed investment decision. In addition, the CMA Oman has launched whistle blowing window at its website. The move aims to upgrade the capital market and insurance sectors and protect the participants from unfair and unsound practices. CMA has also launched earlier customer complaints window which is different from whistle blowing window. Whistle blowing is reporting illegal or unethical act which would harm the market participants while the complaint is to remedy a damage or personal interest of the person.

With the annual general meetings' season approaching, the companies are forwarding their applications for approval of ordinary annual general meetings by the Capital Market Authority as most ordinary annual general meeting convenes in March every year. The Director of Legal Affairs and Enforcement Department at CMA Oman said the legislator conferred on the general meetings a regulatory role including protecting the rights of small shareholders and ensuring integrity, prohibiting conflicts of interests between related parties as the general meeting is the supreme authority of any company that takes all resolutions in material

matters over the powers of the board of directors and their resolutions are final and mandatory. Moreover, CMA Oman has introduced an electronic system allowing the competent and experienced persons an opportunity to join the boards of directors of public joint stock companies. The system allow the companies several options to ease the process of obtaining specific list of the persons who are apt to act as directors by viewing the CVs, personal details and contact addresses of the candidates. The database also allows the registered persons to update their details as and when they change. The database is confidential and access is restricted only to the registered entities. The Vice President for Capital Market Sector urged all Omanis and non-Omanis who are competent and interested to act as directors to join the database through the link: <https://e.cma.gov.om/BoardMemberofdirectors/home>. The companies desirous of benefiting from the database may visit the site through the same link.

In Qatar, the Qatar Financial Markets Authority (QFMA) announced that the enforcement date of the decision of stock split of the companies listed at Qatar Stock Exchange (QSE) is on 9th June 2019, so that the nominal value of a share in all listed companies shall become one Riyal per share. The same decision shall apply to investment funds' units listed in QSE. QFMA stated that the decision of the stock split shall be enforced during the period of 9 June to 7 July 2019, in a scheduled manner in coordination with QSE, Qatar Central Securities Depository (QCSD) and other concerned parties. QFMA confirmed that a detailed schedule, of the stock split date of each of the listed companies subject to stock splitting, shall be published later on the websites of the QSE and QCSD. QSE listed companies held extraordinary meetings of their general assemblies, in parallel with their ordinary annual meetings, in order to amend their articles of association in preparation for the decision's enforcement. QFMA, in coordination with QSE, QCSD and the financial services companies, has held several workshops and coordination meetings to equip the existing systems and rules with the required through task forces formed to coordinate and prepare for the splitting process. In addition to that, QFMA organized last October a workshop on stock split, at the end of the second Corporate Governance Conference, and invited listed companies and all related parties to enhance awareness about the stock split processes.

Qatar Financial Markets Authority "QFMA" is exerting efforts to establish the principles of governance, disclosure and transparency, and to support and promote minority's rights in the Qatari capital markets as well as adopt international best practices in this regard. Accordingly, it has confirmed that companies listed on the financial market must comply with the principles and provisions of Governance Code for Companies & Legal Entities Listed on the Main Market, which is not subject to the principle of "Comply or Clarify". In this regard, QFMA indicated that the aim of the Governance Code is to promote appropriate procedures and policies to implement its provisions and principles in light of the challenges, and to find the best way to address them in accordance with the best international standards and practices. QFMA also stated that listed companies, in their governance report, must clearly disclose any provisions or principles have not been complied with and mention the justifications of non-compliance. QFMA will review disclosures and reports to assess what companies reports contained when they do not comply with the Code's provisions and principles and the non-compliance, however justified, will be deemed to be in violation to the Governance Code requirements. QFMA will review the Company's views about these justifications for the purpose of its compliance and take appropriate action to comply.

Qatar Financial Markets Authority (QFMA) announced that the split of all (46) companies' shares and ETFs' units listed on Qatar Stock Exchange (QSE) was completed. The stock split was done as per a scheduled process in coordination with the QSE, Qatar Central Securities Depository (QCSD) and other concerned parties during the period from June 9, 2019 to July 7, 2019 and over 21 trading sessions. QFMA confirmed that the stock split proceeded as planned with a joint awareness program implemented by all relevant parties to clarify the split process, mechanisms and objectives. QFMA praised the cooperation of all concerned parties in the success of the stock split, especially QSE, QCSD and the financial services companies for their continuous efforts before and during the implementation period to ensure the fullest implementation. QFMA also appreciated the role of listed companies and persons in charge of the ETFs' units in their response and compliance with implementation the stock split as per the agreed steps and timetable. It also praised the role of the various media in following up all implementation stages, ensuring that the

media have contributed positively to clarify the process objectives and delivery the QFMA's message. The stock split process was launched on the 9th of last month with shares of Commercial Bank and Qatar First Bank, ending with Qatar Aluminum Manufacturing Company (QAMCO) and the ETFs' units. The nominal value of the shares of all companies and ETFs' units listed QSE is now one riyal.

While in Kuwait, the Capital Markets Authority of Kuwait (CMA) launched the XBRL language "disclosure system - iFSAH. The details of disclosure data and requirements specified in the system in the five gateways as follows: Financials Reporting Domain, Anti-Money Laundering Reporting Domain, General Assembly Reporting Domain, Corporate Governance Reporting Domain, and Disclosures Reporting Domain. In addition, CMA Kuwait announced the results of the bidding for a 44% equity stake in the issued share capital of Boursa Kuwait Securities Company K.P.S.C. and equivalent to 84,134,600 shares (eighty-four million, one hundred and thirty-four thousand and six hundred shares). The transaction was awarded to a consortium comprising of Athens Stock Exchange, National Investments Company, First Investment Company and Arzan Financial Group, that presented the highest Financial Bid of 237 fils per share and equivalent to a total Financial Bid of KWD 19,939,900.200 for the offered equity stake.

The CMA Kuwait held a press conference on the launch of the first stage of the third phase of the market development project at the Boursa Kuwait building, in the presence of Boursa Kuwait and Kuwait Clearing Company. CMA was represented by Mr. Muthanna Abdulwahab Al Saleh / Head of the Markets Sector, Boursa Kuwait was represented by Mr. Mohammed Soud Al-Osaimi/ Acting Managing Director, and the KCC was represented by Mr. Khaldoun Shaker Al-Tabtabaei/ Managing Director. Moreover, the CMA issued Resolution No. (60) of 2019, announcing the launch of the first stage of the third phase of the market development project. This was followed by comprehensive amendments to the Executive Bylaws of Law No. 7 of 2010 through the issuance of Resolution No. (59) of 2019. The market development project is one of the pillars of the objectives of the CMA in the development of the capital markets and the persification of investment instruments, taking into account the compatibility with best practices and global standards, the most important principles of infrastructure in the financial market. It should be noted that phase three is an additional step in the market development, which completed the first phase in May 2017 and the second phase in April 2018. The most important results of the previous stages were the promotion of Kuwait to the ranks of emerging markets by the world's top rating institutions (FTSE Russell) And (S & P Dow Jones), as well as placing Kuwait on the watch list for a promotion by Morgan Stanley (MSCI). The changes were implemented after a series of extensive examinations with all the participating parties in order to ensure their readiness while ensuring the ability of their systems to accommodate all the variables related to this stage. The list of participating parties includes the Capital Markets Authority, Boursa Kuwait, Kuwait Clearing Company, brokerage companies and investment companies.

The CMA Kuwait announced that the provisions of Article (2-37-15) of Chapter 2 (Funds) of Module Thirteen (Collective Investment Schemes) of the Executive Bylaws of Law No. (7) of 2010 and their amendments. It stipulates that the liquidator shall submit a quarterly annual report to the CMA regarding the liquidation. Therefore, you shall comply with the provisions of the mentioned Article, and submit a quarterly report to the CMA according to the form attached to this circular. You shall also submit reviewed quarterly financial statements and audited annual financial statements, and the auditor's report on the under liquidation fund within 30 days from the end of the period of liquidation and financial statements' report. You shall also abide by the provisions of Article (2-37) of Chapter 2 (Funds) of Module Thirteen (Collective Investment Schemes) of the Executive Bylaws of Law No. (7) of 2010 and their amendments, and comply with all requirements stipulated in the Bylaws regarding the liquidation. Thus, a fund liquidator shall follow this circular from the financial year ending 30/06/2019 and the following financial periods in accordance with the financial year of every under liquidation fund.

The CMA Kuwait announced to all licensed persons subject to its supervision, and who are subject to the scope of application of FATCA Law, to the fact that the American Internal Revenue Service (IRS) is about to update FATCA XML Schema. In addition, CMA Kuwait announced the update made by Kuwait Financial Intelligence Unit through its website on the suspicion indicators of Anti-Money Laundering and Combating

Financing of Terrorism. This update helps the financial institutions and identified non-financial businesses and professions to monitor the suspicious transactions of Anti-Money Laundering and Combating Financing of Terrorism to be in line with the local, regional, and international developments.

KAMCO Investment Company, and CMA Kuwait have signed today a contract to manage the offering of the shares of Boursa Kuwait Securities Company for the citizens' public offer subscription of (50%) of the company's share capital. The contract of the services provided by KAMCO Investment Company includes the preparation of a subscription prospectus, and the invitation of Kuwaiti citizens registered with the Public Authority for Civil Information as of the subscription day. It also includes the supervision of the process of allocating the unpaid shares to the CMA to ensure that (50%) of the shares are allotted to citizens in full, in accordance with the mechanisms and procedures that will be announced.

According to CMA Kuwait announcement on its future plans to expand the structures of "Omnibus Account" and "Same NIN Crossing" to foreign investors, the CMA in cooperation with Boursa Kuwait "BK" and Kuwait Clearing Company "KCC" has completed several procedures to implement what was stated in that announcement. The implementation of these two features comes in line with the MSCI's announcement to reclassify Kuwait to its Emerging Markets index. MSCI announced on 25/06/2019 "that it will reclassify the MSCI Kuwait Index to Emerging Markets status, subject to omnibus account structures and same National Investor Number (NIN) cross trades being made available for international institutional investors before the end of November 2019". A day after this announcement, the CMA indicated that the work to satisfy these conditions is already progressing and expressed its confidence that the necessary arrangements will be put into effect before MSCI's official deadline. The CMA, BK and KCC consider the implementation of these features a priority, especially since these two mechanisms are available today for local licensed persons in accordance with the CMA regulations. The CMA has taken important steps to expand these features to foreign investors and has already made considerable progress in this regard to ensure finalizing the solution before the deadline of November 2019. During July, the CMA in cooperation with BK and KCC, circulated consultation document to (155) contact from relevant international stakeholders who are assumed to have interest in using the "Omnibus Account" and the "Same NIN Crossing" in order to secure their feedback on the proposed changes. The document presented the changes that will impact the CMA Bylaws, and KCC rules as a result of expanding these two features to foreign investors, and seek feedback on the mechanism of implementation to help achieve the desired goal. On September 5th 2019, the CMA announced the results of this consultation, along with the approach that will be followed which will lead to some amendments on the CMA Bylaws, KCC rules, BK rules, and other associated changes in the processes of these entities.

The CMA Kuwait issued Resolution No. (143) of 2019 on 19 September to establish a Real Estate Investment Trust REIT (Traded) which is outside the framework of its ordinary decisions related to its functions in regulating and supervising securities activities, as it is promoting the beginning of a new era in the field of collective investment schemes in general and at the level of local non-conventional investment funds in particular. The license granted for the establishment of this fund, as the first real estate investment trust REIT (Traded), represents the launch of the investment controls for these types of funds issued recently by the Authority, which assures the soundness of these investment controls along with the prospect of licensed persons to practice the activity of a collective investment scheme manager, as it reflects CMA's initiatives to issue legislations in accordance with the international best practice applied in various aspects related to securities activities, as well as its strategic directions to persify investment instruments in the capital markets. It should be noted that the Real Estate Investment Trust REIT (Traded) is a closed-ended fund listed on the stock exchange that aims to invest the fund's monies in real estate assets that generate periodic income on the fund's assets. The fund also allows the unit holders to invest in real estate and take advantage of the periodic income of those assets with the possibility of buying or selling units in the stock exchange, in addition it has a high level of disclosure, transparency and relatively low level of risk. The CMA considers the launch of these types of collective investment schemes as a new era in local investments in general due to the expected positive outcomes of such trends. This will start with enhancing the liquidity of securities in the stock market listed at Boursa Kuwait, developing the local investment funds

industry, creating more investment opportunities for the local investor and expand the range of investment options available through a wide variety of investment funds, in order to provide opportunities for creativity for licensed companies. In addition, to the development of asset management and the fund industry in Kuwait, to positively impact the local economy and signify the Authority's initiatives to play its role in becoming a financial and commercial hub in accordance with the vision of "New Kuwait 2035". Finally, on the occasion of launching these types of funds, the Capital Markets Authority does not fail to affirm its keenness to continue its constant efforts to achieve its objectives set forth in its law to regulate local securities activities in accordance with international standards, especially in terms of the principles of the capital market infrastructure. It also expresses its appreciation for all the efforts made by its partners in and out of the capital markets to establish these types of funds, and is confident that this initiative will mark a turning point in the path of local collective investment schemes, and will be the starting point for other innovative investment products.

The CMA Kuwait announced that the public offering to Kuwaiti citizens for its 50% stake in Boursa Kuwait Securities Company (BKSC) has successfully concluded with more than 8.5 times oversubscription. The public offering of 50% of BKSC, led and managed by KAMCO Investment Company, is the second and final phase of the privatization process of Boursa Kuwait which followed the sale of 44% of the company to strategic investors in February 2019. In addition, CMA Kuwait offered its clients the online payment feature (KNET) for some of its services in addition to the mechanism that it currently follows in terms of paying the fees to the stakeholders at the CMA and attaching the receipt as a notice of payment. Thus, the online payment mechanism (KNET) will be mandatory for all of CMA's clients that are involved in those services as the only payment mechanism. It is worth noting that the CMA adopted the direction of providing its services through its electronic portal and update them periodically in order to streamline the procedures of dealing with them, and enhance the efficiency of their performance in line with the government's directives on automating business. The starting point of this framework was the compliance of the entities subject to the provisions of Module Fifteen of the Executive Bylaws of the CMA Law to submit the governance reports and adopted forms through CMA's Electronic Portal from June 2016. This was followed by eighteen services in September 2018 that included legal services, and other services related to licensing and registration. Thus, the total services currently provided through the portal are twenty-four services. CMA is keen to implement special awareness programs for those services, and the ways to get them through the portal in line with their launch in order to guarantee their success.

In Egypt, the Financial Regulatory Authority (FRA) decided to receive periodical and annual financial statements through the following e-mail (Financial.Statements@fra.gov.eg) and hard copies will be submitted to FRA in ways that are legally followed. Provided that the prescribed legal dates shall be counted once the receipt of the e-mail arrives. FRA's BOD has issued a decision regarding extending the deadline granted to the companies subject to the provisions of the Law no. 176 of 2018 on regulating Financial Leasing and Factoring Activities to regularize their situation for new six months starting from the 14th of next February. Financial leasing and factoring companies shall inform the Authority -no later than the end of March 2019- whether it will regularize its situation or not in accordance with provisions of Law no. 176 of 2018 on regulating Financial Leasing and Factoring Activities and decisions issued by FRA's Board. In addition, if the company agrees to regularize its situation, then it shall submit to FRA a program attached to a time plan of the measures taken or will be taken by the company to regularize its situation. In addition, FRA's Chairman presented the main results of the committee that is assigned to prepare a report on international best practices related to the rules and decisions governing futures exchange. Accordingly, an intensive work plan will be developed in coordination with the Authority's experts to speed up the preparation of all regulatory decision related to futures exchange to be submitted to FRA's BOD for the issuance of the needed decisions.

FRA announced that the first year (2018-2019) of the schedule set for implementing the comprehensive strategy of non-banking financial activities has entered into force. Among the strategy's priorities is raising capital and issuance rates , providing tools for financing national projects and infrastructure projects , improving Egypt's ranking in the Doing Business Report and the International Competitiveness Report and

motivating companies to sustainability and participation in international environmental and community initiatives. FRA's BOD appreciated the vital role played by the units operating in microfinance activity where the number of beneficiaries reached 2.8 million with total microfinance balances of 11.5 billion pounds by the end of 2018. Moreover, FRA approved condensed financial statements prepared in accordance with FRA's BOD decision no. (55) of 2018 regarding the controls and means of publishing for companies offering its securities in the IPO or companies which have listed securities in the Egyptian Exchange . The third item of Article 1 stipulates that the mentioned companies shall publish a summary of the annual financial statements, clarifications thereto and auditor's report thereon in one of the widely circulated daily Egyptian newspapers published in Arabic according to the form prepared by the Authority for this purpose.

FRA revealed that the number of leasing companies that regularized their status has reached 28 leasing companies out of 35 active companies in the last five years, in addition to other eight factoring companies out of 9 licensed companies which regularized their status. This comes in the light of FRA's BOD decision no. 137 of 2018 regarding the controls and conditions required to regularize the status of current leasing and factoring companies after the issuance of Law no. 176 of 2018 - mid-August last – on regulating leasing and factoring activities. The said Law stipulated in article 1 that existing companies shall be granted a period of another six months to regularize their status. In addition, FRA approved the adoption of the two preliminary contract forms and the statute of Futures Exchange. In a step to establish and manage an electronic trading platform through which trading will be held on contracts derive its value from price indices or securities or financial instruments listed at one of the Stock Exchanges. Also, FRA's BOD approved to grant license for brokerage companies to be engaged in futures after meeting the minimum limit set for issued capital and paid-up capital for both activities (securities brokerage and futures brokerage). In addition to other conditions, including amending the company's statute and submitting a statement that the company opens an account at MCDR for transactions in futures contracts , besides submitting the most recent annual accredited financial statements or subsequent periodic financial statements accompanied by the auditor's report. FRA's Chairman said that in order to activate trading in derivatives, which is the cornerstone for the establishment of futures exchanges, FRA's BOD decision no. 49 of 2019 stipulated the conditions for obtaining a license to engage in futures brokerage. These conditions stated that the company's issued and paid-up capital shall not be less than ten million pounds or the equivalent of foreign currencies. It shall include among its founders legal persons not less than (50%) of the company's capital, whereas financial institutions shall not be less than (25%) of the capital.

FRA issued decision No. 684 of 2109 regarding granting license to Arqaam Securities Brokerage to short sell. It is expected that technology structure required for activating this mechanism will be finalized in MCDR, brokerage firms and custodians soon. Short selling is a transaction in which the seller does not actually own the stock that is being sold but borrows it from the broker-dealer through which he or she is placing the sell order. The seller then has the obligation to buy back the stock at some point in the future, thereby making profits from the difference in selling prices and purchasing prices. It is worth mentioning that last February, FRA's Chairman issued a regulatory decision no. (268) of 2019 on short selling rules to activate the mechanism. On the other hand, the Egyptian Stock Exchange and MCDR shall prepare and equip the automated systems and technical requirements and notify the Authority before activating short selling mechanism.

FRA hosted the first meeting of the Egyptian Securities Federation. Representatives of all Securities Brokerage Companies attended the meeting and discussed and took a number of measures to proceed with the procedures of calling for the Federation's first General Assembly and electing its Board of Directors in order to activate the Federation. It included companies licensed by the Authority to practice one of activities related to the field of securities and subjected to the provisions of the Capital Market Law and the Central Depository and Registry Law. The committee shall follow the procedures for convening the Federation's first General Assembly to elect the Board of Directors and this shall be within a period not exceeding six months from the date of the issuance of decision no. (375) of 2019. In addition, FRA's BOD approved the initial list of independent international environmental auditors, in which parties wishing to issue green bonds can choose from to activate the issuance of green bonds within the Egyptian economy. This step comes

within the framework of activating Article 35 bis of the Executive Regulation of the Capital Market Law. The said article stipulates the preparation of study reports to evaluate and test environmentally friendly projects (green projects). That is besides, ensuring the compatibility of projects financed by the proceeds of green bonds with the requirements of clean environment. In addition, the article stated that periodic reports shall be prepared in coordination with the Ministry of Environmental Affairs.

FRA approved the first program to offer short-term bonds estimated at 2 billion pounds by a brokerage company to finance its activities. He added that this step came within the context of applying FRA's BOD decision no. 172 of 2018 which put a regulatory framework for issuing short-term debt instruments. The issuance of short-term bonds mainly aims to provide finance for companies' working capital. In that context, the authority approved the first issuance of the short-term bond program to finance working capital by a brokerage firm licensed by the authority to activate its activities in all areas of securities brokerage, including buying on margin (the investor may borrow to purchase securities). The Authority also took into account in its regulatory decision that the issuance of short-term debt instruments shall be held according to a number of controls that distinguished between the independent issuance which period is not less than seven days and does not exceed twelve months and the issuance based on a program and its period does not exceed two years. The decision allowed the company or the issuer during the two-year period to approve multiple issuances under the program in accordance with the general terms and conditions and other disclosures specified in the program and approved by FRA. The Authority shall be notified of the terms of each issuance and the prospectus or the updated information note attached to the documents indicating this update, if any, at least two working days before the publication of the prospectus in case of a public offering or distribution of the information note to investors in the case of a private subscription. Moreover, the regulations also stated that the nominal value of each bond shall not be less than one hundred pounds and its multiples, or its equivalent in foreign currency.

The first meeting of the Board of Trustees of "the Egyptian Arbitration Center for Settlement of Non-Banking Financial Disputes" was held at FRA's headquarters to draw up the Center's general policies and agreeing on the Center's statute, in preparation for Prime Minister's approval to enable the Center to practice its competencies mentioned in Presidential Decree No. 335 of 2019. The Arbitration Center was formed to activate Article 10 of Law no. 10 of 2009. The said Article includes the establishment of an Arbitration Center - an independent entity - that allows dealers in non-banking financial services to settle the dispute through arbitration in order to speed the settlement of conflict resolution.

FRA's BOD allowed microfinance companies to introduce a new financing product for the first time in the microfinance sector namely (Nano finance). The Board of Directors has obliged microfinance companies wishing to introduce the new product (Nano Finance) with a number of controls, first of which is to classify the product as one of the individual financing products with a maximum value of 3000 EGP (no collective financing may be granted through it). The new product aims at providing Finance to cover the needs of the neediest groups of society (males and females) and youth and to provide working capital needs for their micro-economic activities. The main source of repayment is the cash flows generated by the project and repayment period shall not exceed 90 days. In addition, FRA has issued decision No. 133 of 2019 on forming the Board of Trustees of an Arbitration Center for the Settlement of Non-Banking Financial Disputes. The Center should be managed through a board of trustees composed of seven members, including four experts and specialists in the field of arbitration and dispute settlement. The Board of Trustees shall be responsible for the formulation of public policies and shall draw up the Center's work plan. In addition, the Center shall adopt listing rules set for registering experts who may undertake mediation or dispute settlement. Also, the Center shall adopt rules to avoid conflicts of interest for arbitrators, experts, administrators or employees operating in the Center. Moreover, it shall contribute to spreading awareness of the importance of arbitration and means of consensual settlement of disputes, especially in the field of non-banking financial activities, that's through holding conferences, seminars, training courses and issuing bulletins and specialized publications.

III. Enforcement Actions:

The Securities and Commodities Authority of UAE (SCA) initiated an investigation into a number of suspected violations by some public joint stock companies listed on the UAE financial markets, most notably failure to present financial statements in a true and fair manner and failure to comply with the governance and institutional discipline standards. Among the violations being investigated in response to requests and complaints by shareholders are those attributed to another listed company. They involve practices committed by a number of its board members that, according to the shareholders, inflicted damage to them and to the company. Depending on what the investigations and inspections reveal, SCA will take the necessary legal proceedings in accordance with Federal Law No. (4) of 2000 concerning the Emirates Securities and Commodities Authority and Market, Federal Law No. (2) of 2015 concerning Commercial Companies, and the implementing decisions. As to licensed companies, SCA has concluded an investigation with a brokerage company and is considering to suspend its operations and to impose a number of financial penalties for proved violations including failure to segregate client accounts from the accounts belonging to the company and failure to comply with the international accounting standards. It is worth mentioning that SCA receives complaints and suggestions from investors and stakeholders via multiple channels, including its Contact Us page, the National Customer Relation Management Gateway, and the live chat feature offered on its website.

The Securities and Commodities Authority (SCA) is keeping an eye on tweets which include views not in line with its regulations or with the Commercial Companies Law as they tend to mislead investors and the general public. It has been observed that some posts are detrimental to the integrity and standing of some government bodies. Accordingly, SCA will investigate violations and will take the necessary legal actions against users of these accounts. In addition, and as part of the supervisory role it plays to ensure sound transactions and to protect investors, the Securities and Commodities Authority (SCA) referred a listed public joint stock company to the public prosecution on suspicion of acquisitions involving errors that lead to inflated acquisition value. The referral was made following SCA's investigation in the acquisitions and deals concluded by the company.

In KSA, the General Secretariat of Committees for Resolution of Securities Disputes (GS-CRSD) announces the issuance of the Appeal Committee for Resolution of Securities Disputes, decision No. (1684/L.S/2019) of 1440 H. dated 25/07/1440 H., corresponding to 01/04/2019G. The ACRSD decision text concluded with the conviction for violating Article (49) of the Capital Market Law and Article (2) of the Market Conduct Regulations, when trading in shares of some listed companies during the period from 09/12/2013G to 26/12/2013G. Such acts and practices constituted manipulation and fraud, and created a misleading and incorrect impression regarding the security of the abovementioned companies. The decision of the ACRSD concluded with the imposition of a number of sanctions upon the convicted individual. Any person affected by these acts may file a compensation suit to the Committee as per Article 57 of the Capital Market Law, provided that such suit is preceded by a complaint filed with the Authority.

Following the announcement of the CMA of KSA published on its website on 28/06/1438 H. corresponding to 27/03/2017 G. The issuance of CMA Board resolution imposed a fine of Fifty Thousand Saudi Riyals on a listed company due to its violation of paragraph (f) of Article (213) of the Companies Law. The company prevented a shareholder from exercising voting rights associated with his shares.

The Capital Market Authority's (CMA) of KSA issued a board resolution based on Article (17) of the Capital Market Law to refer a suspicion of a violation to the Public Prosecution. (5), investors were suspected of violating Article (49) of the Capital Market Law and Article (2) of the Market Conduct Regulations while trading the shares of one of the listed companies on the Saudi Stock Exchange. The Capital Market Authority insures its devotion to apply the Capital Market Law and its Implementing Regulations as well as protect the investors from illegal acts. Whoever is affected by these acts can file a suit for compensation to the committee as per Article 57 of the Capital Market Law. This must be preceded by a complaint filed to the CMA.

While in Oman, the Capital Market Authority (CMA) has decided to prevent Global Trust Financial Services LLC and Celebrity National Financial Services SOAC from practicing the licensed activities for three months until adjusting their situations as from March 3, 2019 pursuant to Article 31 (b) of the Capital Market Law, where the prevention term lapse without the companies adjusting their situations their licenses will be revoked pursuant to Article 30 of the Capital Market Law.

The CMA Oman has issued a number of decisions suspending a number of audit firms from auditing the accounts of the companies regulated by CMA for three months as a grace period to rectify their situations and meet the legal requirements. The move comes as it is established the firms have violated Second Paragraph of First Article of Decision No. 8/2018 on the Rules for Accreditation of Auditors which provides "Auditors accredited by CMA must renew their accreditation during a period not exceeding six (6) months from the date this regulation having effect. CMA has had issued the rules regulating the business of audit firm to ensure they strict comply with IAS and IFRC requirements. CMA continuously assesses the performance of audit firm by its audit teams for their important role in auditing the financial reports and quarterly statements announced through MSM to ensure their accuracy and impartiality and that they truly represent the positions of the companies, and to detect any manipulation or fraud practices to protect the investors and to provide adequate information for sound investment decisions.

The Financial Regulatory Authority of Egypt (FRA) issued decision No. (129) of 2019 on extending the deadline granted to listed companies that did not complete offering procedures for a period of six months ending on 31 March 2020, in accordance with the third paragraph of article no. 1 (bis) of listing and delisting rules. So, these companies are committed to provide the Egyptian Stock Exchange no later than 30 November 2019 with a timeline that includes the measures they will take to offer its shares at the Exchange and obtain the Egyptian Exchange's approval.

IV. Education and Awareness:

The Securities and Commodities Authority of UAE (SCA) organized Governance Week events, where they included a set of initiatives and activities that aim to enhance awareness of governance, introduce governance principles, and explain the advantages that the sound application of governance controls brings to companies and their shareholders. The events held as part of this week will also include a competition on SCA's social media accounts. SCA will also post a governance awareness booklet on its website. A number of articles will be featured on newspapers and awareness messages will be posted on financial newspapers and SCA's website and social media accounts.

SCA Board of Trustees of the Professional Training and Examinations Centre (PTEC) held its sixth meeting of the fourth session. The meeting discussed a number of issues related to enhancing the PTEC's performance and took a number of decisions relating to the PTEC's developments and tasks in the upcoming period. In addition, SCA and Nasdaq Dubai have begun a joint awareness campaign on trading derivatives aimed at individual investors. The exchange and the SCA, the UAE's financial market regulator together delivered an inaugural seminar on tradable assets that are in increasing demand, focusing primarily on equity futures as well as options. The seminar covered the derivatives products that are available in the region and how to trade them. It explained how to incorporate derivatives into overall trading strategies, including understanding the relationship between derivatives prices and the prices of the underlying shares or other assets.

SCA held a forum under the title "Al Sharqiya Youth and Investment in Securities". The forum was held at the University of Sharjah-Kalba Campus in response to directives from the SCA board, to enhance investor awareness among various segments of the public, especially the youth; to urge them to invest in securities; and to introduce them to the job opportunities available in this field. The forum was held in collaboration with the Abu Dhabi Securities Exchange (ADX) and the Dubai Financial Market (DFM), as well as with representatives from brokerage companies and financial services companies, being central to the investments undertaken in UAE-based financial markets. Also taking part in the forum was the Youth Council for Future Economy, which receives strong support from the SCA chairman.

The Securities and Commodities Authority (SCA) and Nasdaq Dubai organized a new awareness-raising seminar for investors and market participants as part of a joint awareness-raising program launched recently. The seminar is intended to raise the awareness of market participants and interested parties with respect to derivatives trading. Derivatives are trading instruments that can help to diversify the trading options available to investors. The seminar dealt with a number of important topics, most notably key information about financial markets; types of tradable investment assets, such as corporate stocks, bonds, and sukuk; and types of asset derivatives, such as futures and options. It also distinguished the difference between various investment assets. The seminar introduced participants to new financial instruments that investors can trade in world markets, including futures and options, and highlighted the key differences between these instruments in terms of prices, settlement mechanism, and the obligations of the parties to the contract. It addressed the characteristics and risks of derivative contracts, including futures. Participants were introduced to the ways in which futures and options may be traded, whether investors have bullish or bearish expectations of the markets, while understanding price movements and how to calculate the price of the derivative and its relation to the price of its underlying asset. The seminar assessed derivatives trading strategies, hedging strategies, and key investment risks. At the end of the seminar, the lecturer reviewed the characteristics of Nasdaq Dubai's single futures.

The Securities and Commodities Authority (SCA) would like to draw the attention of investors and the public that the Authority is receiving several inquiries from the public about the validity of the registration certificates or license certificates obtained from promoters or representatives of companies offering investment opportunities and claiming to be licensed by the SCA. As these certificates were found to be "false certificates" and the names of the companies mentioned therein are not registered or licensed by the SCA, and that the investment offers that are marketed and promoted by the delegates of these companies are "fake offers" aimed at investors, especially individuals. The SCA would also note that some companies have been spotted stating in their websites that they are licensed by the SCA and/or by other regulatory authorities within the UAE. However, they were found unlicensed. In most cases it turns out that these companies are "fictitious entities" that carry out financial fraud and communicate with individuals through several means, including telephone calls, text messages, e-mails, social media, induction and interview with representatives of these companies or entities. These companies introduce seductive offers, promises to earn high returns and to get rich quickly, and these claims are backed by forged documents and certificates of licenses. Also, the representatives of these companies tend to insist on individuals to make their decision to invest immediately as soon as the company and its services are introduced, and without leaving time for individuals to think about the investment offer, and they communicate with individuals throughout the day to push them to invest. The SCA reiterates its caution to deal with such companies and their representatives, or signing any forms or contracts issued by them or transferring any funds in their favor. The SCA urges investors and the public to verify the license of companies that offer investment opportunities and claim to have legal licenses, through reviewing the list of the registered and licensed companies on the website of the Securities and Commodities Authority (www.sca.ae), or similar regulatory authorities (such as the Central Bank of the UAE, the Insurance Authority, the Dubai Financial Services Authority, the Financial Services Regulatory Authority of Abu Dhabi Global Market) or through direct communication with the SCA and similar regulatory authorities.

The Securities and Commodities Authority (SCA) released a publication, titled: "An Introduction to Sustainable Investing" on its website. This is part of a new move that sets the stage for the implementation of SCA's plan for sustainable capital markets launched early this year. The plan followed SCA's last year's announcement of an initiative to form a platform for carbon emissions trading. The publication covers a number of key areas, including the meaning of sustainable investing, its importance in making long-term returns, its positive implications for the environment and the economy, its objectives, and the main differences between sustainable investing and the other types of investments. In addition, the Securities and Commodities Authority (SCA) and the Abu Dhabi Securities Exchange (ADX) organized a joint awareness-raising seminar for the country's financial sector personnel, including representatives of listed companies and financial brokerage companies. This comes as part of the efforts of both parties to promote the role of market makers and to maximize the benefits of the positive impacts they have on markets.

The Securities and Commodities Authority (SCA), in collaboration with the Ajman Chamber of Commerce and

Industry (ACCI), held a seminar to raise awareness of shareholders rights in relation to general meetings of public joint-stock companies. The seminar comes as part of the efforts to put into effect the terms of the MoU signed between the two parties this March, to develop a joint regulatory framework that supports domestic development, and to lay the foundations for a strategic partnership that ensures more protection to investors. Moreover, the Securities and Commodities Authority (SCA) launched a roadmap for its financial inclusion strategy, a strategy that ensures that all segments of the society have access to financial services and products and that a wide range of innovative, cost-effective services are available through service providers. SCA's financial inclusion strategy aims to deliver financial services and products to the greatest number possible of UAE residents of all age groups and cultural and social backgrounds and to educate the target audiences and beneficiaries of these services and products of their rights and obligations by coordinating with strategic partners in the capital markets sector and the other relevant parties to maximize benefit.



The World Investor Week 2019 events kicked off at the trading floor of the Dubai Financial Market (DFM) along with a number of SCA and DFM officials, to mark the start of this week's events. The events aim to enhance the awareness of investors, especially when it comes to maintaining their rights, and to identify the role supervisory authorities and financial markets play in protecting them. This is achieved through the combined efforts of the authorities supervising securities and commodities markets in IOSCO member states and the use of a wide range of means of communication, media channels, and digital media. Also, SCA organized a workshop entitled "Governance of the Public Joint Stock Companies" at the SCA building, Dubai, attended by about 130 representatives of listed public joint-stock companies concerned with the Chairman of SCA Board of Directors' Decision No. (7 R.M) of 2016; concerning the Standards of Institutional Discipline and Governance of Public Shareholding Companies. The workshop comes under the scope of the SCA efforts to deepen the concept of governance with companies listed in the financial markets and raise awareness of the developments in governance included in the new decision to be issued at the beginning of the new year. The decision was prepared according to the international best practices including the provisions of integrated reports, gender balance, sustainability and social responsibility (ESG).



The Securities and Commodities Authority (SCA), in collaboration with the Committee for Goods and Materials Subject to Import and Export Control (CGMSIEC), organized a workshop on the mechanism for implementing the 2019 Cabinet resolution on the lists of terrorists and the implementation of Security Council resolutions on the prevention, suppression, and financing of terrorism and the prevention and financing of weapons of mass destruction and the relevant resolutions. The workshop, delivered

by CGMSIEC members, addressed topics related to export and import control system, international legal frameworks, the strategic goods list and the materials subject to control, applications to import and export strategic goods, the UN Security Council Consolidated Sanctions List, and the UAE Cabinet's List of Terrorists. The workshop reviewed the role of the private sector and the financial institutions in this regard and highlighted the importance of staying abreast of the updates to the UN Security Council Consolidated Sanctions List by subscribing to the CGMSIEC's website to receive updates and notifications.



SCA and the Dubai Financial Market (DFM) organized two awareness-raising seminars targeted at university students. The Youth Hub hosted the two seminars, which addressed a number of key matters relating to financial market trades. The first seminar, titled “Young People and the Future of Securities”, discussed the main objectives of stock exchanges and their importance in promoting the national economy and providing liquidity to companies, talked about the components of securities markets, the relationship between these components, and the nature of the products and processes involved. Whereas the second seminar discussed the ways to help enhance the awareness of young people when it comes to investing in securities. He mentioned a number of tips and guidelines that young people should take into consideration when dealing in securities, in addition to other risk mitigation tips, which will help them, make informed investment decisions and achieve good returns.

In KSA, the Capital Market Authority (CMA), represented by the Deputy for Listed Companies & Investment Products in collaboration with the General Authority of Zakat & Tax (GAZT), held a workshop titled “The Mechanism of Zakat Calculation and Zakat for Tradable Real Estate Investment Funds”, on Wednesday, 3rd of July, 2019 in Riyadh. The workshop was part of CMA's efforts to reach out to participants in the capital market and raise awareness of the mechanism for calculating Zakat of tradable real estate investment funds (REITs).

The workshop, which was attended by managers of real estate investment funds, financial managers and external auditors of the funds, focused on reviewing the mechanism for calculating Zakat by GAZT, as well as the mechanism for calculating Zakat on tradable real estate investment funds and their impact on returns. During the workshop, participants' comments and suggestions were discussed and their questions were answered. Moreover, the pre-requisites and requirements from Fund Managers wanting to register with GAZT were clarified and explained.

In Oman, the Capital Market Authority (CMA) in collaboration with Sultan Qaboos University represented by the college of Economics and Political Science dispatched a number of students for practical training at securities and insurance commissions in Arab Countries to acquaint them with the nature of work in securities and insurance markets to prepare them for the work market. The two month training commenced with orientation week at CMA to acquaint the students with the Omani capital market and insurance sector and their regulatory and supervisory legislations then the student traveled to the specified countries and when they return they will resume the program at the CMA and SQU to prepare the reports and presentations on their experience with CMA and the hosting countries.

The CMA Oman organized a training on “Compliance, Corporate Governance and Risk Management” in collaboration with the Union of Arab Securities Authorities. The programs aimed to acquaint the participants with the concepts of compliance, corporate governance and risk management, and the role of the regulators and supervisors of capital markets.



The program highlighted a number of relevant issues from the point of view of the regulator. The program targeted employees of capital market institutions especially the workers of surveillance, disclosure, listing and enforcement departments and the employees of stock exchanges, the depository and other entities such as financial intermediaries, financial institutions and banks.

The program focused on three topics namely compliance, the concept and the role of the regulator in enhancing compliance and the risks of non-compliance. The second topic was corporate governance which included a historical briefing on the development of corporate governance, principles and the importance of corporate governance. The third topic was risk management including the concept of risk management and risk bases supervision, offsite surveillance and onsite inspection.

The CMA Oman hosted a delegation of judges from the primary and appeal courts to acquaint with the regulatory mechanisms of the capital market and insurance sector. An introductory session was held for the delegation. The meeting discussed the legislative and regulatory aspects of the capital market and insurance sector beside the issues related to buying and selling shares as well as matters related to insurance. Then the delegation visited the trading hall and an open discussion session was held attended by the directors of departments and legal staff of CMA. It is noteworthy that CMA organizes such meetings with the concerned entities to acquaint them with the legislations and regulations of the capital market and insurance sector for better understanding by all the stakeholders and the judges in particular to facilitate their work in ruling in proceedings related to disputes of the market participants and transactions of the public in insurance products for the interest of the public.

The Qatar Financial Markets Authority (QFMA), in collaboration with the Union of Arab Securities Authorities (UASA), held a specialized training program on "Combating Financial Crimes". The two-day training program was participated by 144 trainees representing 51 entities in the State, including professionals and those working within financial services industry, involved in regulation, law enforcement, trade and commerce, as well as private sector. The program addressed various issues related to financial crimes, including money laundering, terrorist financing, bribery, corruption and fraud, along with the practical defenses, and focuses on how laws, regulations and best practice continue to evolve across the entire spectrum of associated activities.

QFMA has organized a workshop for entities under its jurisdiction on Anti-Money Laundering and Combating Terrorist Financing "AML/CTF" with attendance of 25 participants from 16 entities. The organization of such workshop came as part of the QFMA's contribution to national efforts in enhancing the efficiency of the AML/CTF system in the State as well as the preparation for the mutual evaluation process. The workshop addressed the elements of the AML/CTF Program of entities under the QFMA's jurisdiction. Such elements include institutional governance of anti-money laundering systems, compliance programs and internal control procedures, monitoring with a view to detecting and reporting suspicious activities, training, education and awareness rising, and independent audit and review. The workshop also discussed the QFMA's methodology for preparing the evaluation process.

Qatar Financial Markets Authority (QFMA), in cooperation with the Qatar Financial Information Unit (QFIU), organized the 3rd meeting of the public-private dialogue forum on Anti-Money Laundering and Combating Terrorist Financing (AML/CTF). The meeting, held at the QFIU headquarters, aims to strengthen national cooperation towards upgrading the AML/CTF national system. During the meeting, they reviewed the second part of the review study on Suspicious Transactions Reports (STR) and the Electronic STR System (E-STR) as well as a private sector visual presentation. The meeting was attended by 37 participants representing financial institutions and entities licensed by QFMA.



Qatar Financial Markets Authority (QFMA) participated in the World Investor Week (WIW) launched. The QFMA's

events were through organizing an extensive seminar on investment principles held on the campus of Qatar University (QU) attended by a group of students and interested people. At the seminar, QFMA's representatives presented a detailed explanation of the investment process; which included disseminating key messages that support investor education, investor protection and financial literacy, as well as the exchange of ideas and views aiming at enhancing investment awareness in general. Speakers focused on introducing the economic development of Qatar National Vision (QNV) 2023, IOSCO WIW, and QFMA's Vision, Mission and Strategy. At the end of the panel discussion, there was an extensive discussion including questions on investment activities; how to reduce the risks may face the investment process; and how to protect investors.

The Capital Markets Authority Kuwait (CMA) has launched a roadshow in UK that targeted high-profile UK-based institutional investors in order to attract more institutional foreign investments, and present the latest developments in the Kuwaiti financial markets and to hear their opinions on their investment experience in Kuwait. Many topics were covered, in particular those related to the market upgrade on the MSCI index. All reactions and observations were positive, and all institutions commended the efforts exerted by the parties involved in the market development project and praised the Kuwaiti market high standard of professionalism accomplished in a short time. Among the highlights were the plans of the parties to implement the Central Counterparty (CCP), which provides better risk management in light of the Market Development Plan that will introduce new, more advanced and sophisticated products such as derivatives. The expected mechanism for joining the index in



case of upgrade was also discussed.

The CMA concluded the Special Awareness Program for Licensed Persons under the "Qualifications Examinations Project for Registered Employment Positions", which was implemented over the last week (21-25 April) at the CMA's headquarters, within the framework of the Capital Markets Authority

to apply the Qualifications Examinations Project for Registered Employment Positions in cooperation with the Chartered Institute for Securities & Investment (CISI), in order to ensure the successful implementation of this project in the State of Kuwait. The program included ten awareness workshops, which lasted for one week, with two workshops a day for the target groups represented by licensed persons at the Capital Markets Authority, where 174 people participated from 79 parties. In addition, the CMA Kuwait has held an awareness event concerning Indices and Passive Investing. During the event, S&P Dow Jones representatives made a presentation about markets indices, their types, and the products that are based on them, as well as the procedures that are used to upgrade the markets and the countries in the international indices. What makes this event more important is that it coincides with the fact that Kuwait has been upgraded in the international shares indices at S&P Dow Jones and FTSE Russell, and it is included on the watch list for the MSCI emerging index. Thus, Kuwait will officially be included in emerging markets indices at S&P Dow Jones in September 2019, and is expecting its inclusion in the emerging markets by MSCI in June 2019, to be officially included in May 2020.

The CMA Kuwait implemented the awareness workshop program of "The Regulatory Requirements of "the Unlicensed" Listed Companies' Financial Statements" on Monday and Tuesday 1 – 2 July 2019 with two daily workshops for the unlicensed listed companies who attended according to special invitations addressed to them. These workshops discussed the objectives of the Supervision of Listed Companies Section that forms as part of CMA's On-sight Supervision Department. They also demonstrated the company's compliance with the approved regulations and standards, starting from Article (1-15) of Module Twelve that relates to the submission of the financial statements to be prepared according to the international accounting standards, moving on

to the compliance with Appendix (1) of Module Eleven that is allocated for Real Estate Assets Valuation, and the disclosures mentioned in Module Ten (Disclosure and Transparency) of the Executive Bylaws. The workshop was concluded with an explanation of the Electronic Disclosure System XBRL (ifsah), which was viewed and discussed in detail. Moreover, CMA Kuwait launched its Sixth Training Program for Recent Graduates from the distinguished national cadres supplementing its role in developing the community, and investing in the national human factor to prepare them for the labor market. This training program aims to provide an opportunity for the young cadres to develop their skills and knowledge, build their abilities, and learn about local and international experiences on the capital markets field in line with scientific and professional bases that shall increase various career opportunities to them. It is worth noting that the program will last until the end of April 2020, and attracts distinguished graduates from the following fields: Business Administration, Law, Civil Engineering, Computer Engineering, and Computer Science. The trainees will undergo an intensive training program inside and outside the State of Kuwait. Through this initiative, the CMA seeks to support the local labor market in order to benefit our country, and enhance its social responsibility.

The CMA Kuwait had participated in the "National Workshop for the Development of Sukuk Market in the State of Kuwait", which was held in cooperation with Kuwait Islamic Economics Center (an initiative of the Ministry of Awqaf & Islamic Affairs) and its sponsorship, mainly with the mutual initiative to improve local investment instruments, as CMA seeks to implement several initiatives stipulated in the second paragraph of Article three of the aforementioned establishment law, which states "Grow the capital markets, and diversify and develop investment instruments thereof in accordance with best international practice". Kuwait Islamic Economics Center also seeks to develop Islamic financial instruments in the State of Kuwait, to promote the growth of Islamic finance sectors, in addition to developing national cadres, and initiating local and foreign partnerships in a way that enhances economic development in a comprehensive and sustainable way, for the fulfillment of the honorable desire to transform the State of Kuwait into an international financial and commercial center.

The CMA Kuwait draws the attention of the public including the investors, the dealers of securities activities, and those interested in entering the world of investment in its various forms and fields to be very cautious and prudent concerning the fake or unknown companies and persons, and unlicensed entities' use of the available means of communication such as websites, social media, phone calls, SMS and so on to promote advisory services and advertise suspicious and high risk investment and financial products without obtaining the necessary licenses or being subject to official regulators, and publish fake advertisements and misleading invitations to invest in metals, products, or oil, or trade in the local exchange or foreign exchanges, or the digital currencies which was previously cautioned by the CMA due to not being subject to any regulatory or supervisory authority that protects those whom are dealing in them. The CMA also emphasizes to the public that the invitations of the safe and guaranteed investments issued by those entities, and the additional income, incredible returns, and quick profits that they promise to gain in record time do not comply at any case with the correct investment rules and tools, and do not fall outside the scope of "Financial Fraud" practices that aim at robbing the money of other people alike and depleting their savings illegally, especially that some of those entities include in their invitations attractive phrases under CMA's name or logo in unlawful way to delude the audience of having the necessary license, and represent an additional incentive for them to respond to those invitation, and fall victim to financial fraud that are expanded electronically at the present time. Based on the above, the CMA urges all of those interested in entering the world of investment, regardless of their field, not to follow the previously mentioned misleading invitations, and to take due diligence before taking their investment decision.

The CMA continued the implementation of the second external event of its comprehensive awareness program which includes a set of internal and external awareness activities. The workshop emphasized the need to update both "know your customer" form and the manuals of policies and procedures for Anti-Money laundering and Combating Financing of Terrorism in accordance with the applicable regulations, to conclude the activities of the workshop after answering the participants' queries.

The CMA Kuwait announced that the decision of the Implementation of the Qualification Examinations Project for Registered Employment Positions, and the execution of its first phase of the "Professional Qualifications Program" starting from its issuance date, cannot be listed within the framework of the CMA's regular resolutions

concerning its tasks of regulating securities activities and supervising them, as there are several considerations that provide this resolution with a special importance, coming to their forefront that it represents marking the beginning of implementing one of CMA's major strategic projects that aim at making drastic changes at the work mechanisms of several parties in the capital markets industry. In addition, it establishes a turning point in word and deed at the level of efficiency requirements of the Registered Employment Positions of those parties, and represents a decisive factor for upgrading that efficiency and achieving maximum compatibility with the international standards applied within this framework. The resolution also comes as a result of unremitting efforts in collaboration with the Chartered Institute for Securities and Investment (CISI). In addition to setting the date of launching the Professional Qualifications Program, the mentioned resolution included applying legislative amendments on some Modules of the Executive Bylaws of CMA's Law of establishment concerning this program. It also identified the mechanism of exempting some of the applicable persons at its various phases. It is worth noting that the mechanism of implementing the Professional Qualifications Program extends over two phases: preliminary implementation phase that extends for one year between 01/10/2019 and 30/09/2020, followed by mandatory implementation phase that starts from the beginning of October 2020.

In Egypt, the Financial Regulatory Authority (FRA) Chairman revealed that the issuance of cumulative voting guide explained the concept of cumulative voting mechanism, its legal framework and its application, as well as the forms used to apply it. FRA's Chairman explained that the issuance of the guide represents one of the efforts exerted by the Authority to raise the awareness of companies whose securities are listed on the Egyptian Stock Exchange, in addition to the companies authorized by the Authority to practice one of the activities in the field of non-banking financial services. According to the amendment to listing and delisting rules that were issued mid of 2018, companies are required to include in their statutes the system of using cumulative voting to allow for proportional representation whenever possible, as a regulatory measure aimed at practicing good governance to develop and enhance market's efficiency and reduce many related disputes.

FRA organized a joint explanatory session between FRA and the European Bank for Reconstruction and Development (EBRD). The session aimed at creating public awareness in the Egyptian market of the new short-term debt instruments. The session included a presentation of the regulatory and legislative framework prepared by the Authority. Many parties participated in the workshop namely; entities qualified to issue such bonds, eligible investors and entities operating in the field of securities and licensed by the Authority to promote and cover the subscription, these entities are responsible of checking the capital adequacy of the natural persons who make the subscription. In addition, FRA stressed that transition to a green economy and sustainable development is not an option. It is necessary to meet the principles of sustainability in order to increase the flow of foreign investments in the Egyptian economy. In this respect, Egyptian financial institutions shall integrate the principles of sustainability in the operating systems, investment and management and transform it to a culture and daily practice and a decision-making tool within these institutions. FRA pointed out that one of the most important strategic objectives stated in FRA's comprehensive strategy for the development of non-banking financial activities 2018-2022 is to achieve sustainable development, which is one of the most important axes that the Authority's management is working on in the coming period. FRA has established a specialized Sustainability Unit. Also, FRA joined the United Nations initiative as a supporting body and is on its way to join the SIF Forum which includes 23 countries, to be the second Arab country in this forum.

FRA hosted a workshop on "Standards of Professional Conduct and the Global Investment Performance Standards (GIPS)" hosted by FRA at its headquarters in Smart Village during the period 17-18 of this month in coordination with CFA Society Egypt. In the first day, attendees will discuss the problem of ethics and standards of professional conduct and shed light on the impact of bias on decision making, especially on investment decision making, with examples of interactive cases to understand how to overcome these ethical dilemmas. The second day of the workshop will focus on the Global Investment Performance Standards (GIPS) in order to enhance integrity and transparency in the non-banking financial markets, with the participation of speakers from the "CFA Institute", highlighting the Global Investment Performance Standards (GIPS), the necessities that led to its application and development and understanding compliance requirements.

FRA has issued the first detailed Investor Protection Guide on dealing in Capital market, insurance, private

insurance funds and multiple financing activities in Egypt. FRA's Chairman emphasized that after approving the issuance of "Investors Protection Guide" by decision no. 446 of 2019, companies and entities operating in non-banking financial activities shall comply with the principles set in the Guide. Also, all necessary measures shall be taken to publish the Guide and inform clients' of their rights and obligations. The Guide shall be published on the home page of company's websites and on their social networking platforms. In addition, companies shall clearly inform its clients on how to obtain and review Investor Protection Guide issued by the Authority in any document that includes the provision of financial service. Moreover, companies shall provide its clients with a printed copy of an explanatory note on Investor Protection Guide prepared by the Authority upon offering any financial, insurance or financing product under FRA's supervision. An information poster of the most important principles stated in the Guide shall be set in the company and its branches and all other places that provide services to the clients. Moreover, FRA's Chairman revealed that a series of meetings will be held to hear the views of representatives of NGOs and financial institutions on FRA's proposal to amend Microfinance Law no. 141 of 2014. The new amendments to the Law shall match the developments revealed by the actual application of the law over the past four years regarding the need to increase finance value that may be granted to clients. In addition, the new amendments will provide a new finance ceiling for another category to facilitate the associations and civil institutions engaged in finance activity in light of the variables witnessed by the Egyptian economy.

V. International Cooperation:

In UAE, a delegation from the Securities and Commodities Authority (SCA), chaired by its CEO, takes part in meetings of the Africa/Middle East Regional Committee (AMERC)—a committee established by the International Organization of Securities Commissions (IOSCO)—held in Kuwait. The meetings aimed to continue dialogue between IOSCO members to draw a road map that enables financial market observers to support sustainable development goals through exchanging experiences in promoting sustainable finance.

The Securities and Commodities Authority of UAE (SCA) and Ajman Chamber entered into an agreement to foster bilateral cooperation in areas of domestic development, to encourage and attract investments, and to promote the protection of investors, thus serving the interest of the national economy. The signing of the agreement satisfies the desire of the parties to develop a joint framework aimed at exploring avenues for cooperation and mutual understanding, exchanging information, and providing bilateral technical assistance to support domestic development. In general, the agreement lays the foundation for a strategic partnership that guarantees greater protection for investors, enhances financial market efficiency, and ensures sound transactions.

The Securities and Commodities Authority (SCA) took part in the 29th edition of the Abu Dhabi International Book Fair (ADIBF) as part of its efforts to raise public awareness of trading rules and fundamentals in a manner consistent with the public's needs and interests. SCA's participation in ADIBF also comes as part of the National Investor Awareness and Financial Inclusion Project launched in the UAE-based capital markets. The participation is intended to introduce the public to the role of the Professional Training and Examinations Centre (PTEC) in providing training to specialists and those wishing to join the securities field. SCA is keen to participate regularly in ADIBF held this year from April 24 to 30 at the Abu Dhabi National Exhibition Centre. Its pavilion displayed film and digital publications in addition to printed matter aimed at raising investor awareness and introducing SCA's activities and programs. The pavilion also displayed pieces from SCA's museum collection, including coins and paper currency that were circulated in the region in the past. SCA conducted a number of lectures and short workshops on the sidelines of the book fair to introduce visitors and school students to SCA's activities, awareness-raising programs, and professional training programs intended to license those wishing to work in financial markets. SCA's activities also included competitions for the pavilion's visitors. ADIBF, in its 29th edition, attracted more than 1250 exhibitors from 63 countries. It serves as a cultural platform and a major draw for an elite group of authors, publishers, agents, distributors, intellectuals, poets, and literary figures. It is a great opportunity

to get the latest releases and to take part in a wide range of cultural, educational, and professional activities, as well as intellectual gatherings.

The SCA's CEO met with Chief Executive of the Chartered Institute for Securities and Investment (CISI), to explore avenues of cooperation between the two sides with regard to the Qualifications-Led Licensing Regime. In addition, SCA has been announced as a member of the Global Financial Innovation Network (GFIN), which includes 50 leading global regulatory institutions and entities in the field of innovation in the financial sector. By joining GFIN, the SCA seeks to maximize the role of innovation and creative methods in promoting the securities sector in the State in a manner strengthening its competitiveness, participate in innovative projects and learn about the best experiences



and practices provided by the GFIN members in this field. This matter would benefit the financial sector in the State in terms of financial markets, companies and investors. On its part, the GFIN aims at creating a new framework for cooperation among regulators of the financial services regarding innovation-related subjects and exchanging different experiences and approaches. The GFIN provides a forum and platform for the joint action for cooperation, exchange of knowledge and discussion of learned lessons, along with providing entities with an experimental environment in which cross-border solutions can be tried.

The SCA signed a MOU with MIRA for promoting cooperation between them. The MOU stipulated to enhance cooperation between the two parties through benefiting from the qualification and training programs offered by the SCA Professional Training and Testing Center (Center), in order to contribute to the development of capital markets and the financial services industry in general, and to raise the level of Professional performance of workers in this field in particular. The signed MoU provisions determine the framework agreed upon by the two parties in cooperation in the fields of training and awareness, and the exchange of information and expertise in the fields of capital markets, financial services and investment in order to raise the level of professional standards for workers in this field and to promote and develop them in the UAE.

The Securities and Commodities Authority (SCA) obtained an accredited certification from Lloyd's Register Quality Assurance for implementing ISO 10002:2018 internationally set guidelines. This comes as part of SCA's efforts to adopt the best global practices on handling customer complaints and reflects its commitment to achieving its strategic objectives, most notably enhancing customer satisfaction and improving the quality of the services offered. By implementing ISO 10002:2018, SCA aims to create a customer-oriented culture where customer opinions are encouraged, valued, and viewed as the basis for improvement and development. SCA obtained the certification for having in place an effective mechanism for handling customer complaints and meeting their needs and expectations. This mechanism sees complaints as a chance for improvement. SCA had also arranged training programs to improve staff performance in customer service. The ISO 10002:2018 certification is awarded to bodies demonstrating adherence to internationally set guidelines. This ISO standard contributes to enhancing customer satisfaction through an efficient mechanism that helps customers improve their understanding of what to expect from companies and serves as an open channel for feedback.

While in Tunisia, the CONSEIL DU MARCHÉ FINANCIER (CMF) received a Mauritanian delegation of chartered accountants interested in getting a better knowledge about the Tunisian securities regulator and the applicable methods of financial information oversight.

In Qatar, the Secretary General of the International Organization of Securities Commissions (IOSCO) Mr. Paul Andrews concluded his three-day visit to Doha by the invitation of the Qatar Financial Markets Authority (QFMA). Mr. Andrews visit coincided with a training program on "Combating Financial Crimes" organized by the QFMA in collaboration with the Union of Arab Securities Authorities (UASA) on February 4 - 5. Mr. Andrews visit to the State of Qatar is his first as IOSCO's Secretary General, while the QFMA has close cooperation relations with the organization. The IOSCO plays an important role in supervising and regulating the international financial markets authorities, which contributes to ensure integrity and transparency in the work, activities and procedures of such markets, which strengthens their efforts and supports them in dealing with and combating various financial crimes.



The Qatar University (QU) and Qatar Financial Markets Authority (QFMA) signed a Memorandum of Understanding (MoU) for further collaboration between the two parties. The MoU signed at QU includes cooperation in areas of researches and studies, surveys and polls, as well as events and activities. According to the MoU, areas of cooperation between the parties include collaboration in the areas of exchange of experiences and information including newsletters, journals, studies, statistics and other data, as well as conducting studies, and holding conferences, meetings, and training. In addition to cooperation in areas

of research and studies, cooperation on any other possible respective fields that are of mutual interest for both parties. The MoU provides that the mechanism for its implementation shall be as through the possibility of forming work committees and joint teams, holding consultative meetings to collaborate in the areas stated in the MoU; and through review the execution of articles of this MoU and evaluate the realized outcomes on regular basis; as well as the possibility of setting up an action program or more among both parties' administrative constituents through separate agreements. The signing of the MoU between the two parties comes as a part of their recognize the vital and effective role that the State institutions play in serving the country and the society, and in an effort to exchange information and experience to improve the performance of the two parties according to the comprehensive quality standards, and in accordance with the jurisdictions and legislations in force in the State. In addition, this signing is necessary to establish joint cooperation covering different, scientific, administrative, and technical and research areas.

The Capital Markets Authority of Kuwait (CMA) is continuing its preparations for several exceptional events by hosting the 42nd IOSCO AMERC Meeting. It is one of the main committees at IOSCO, and includes more than 20 countries. It is worth mentioning that Kuwait's hosting one of the most important activities of an ISOCO's committee (the first of its kind locally) is due to the keenness of the CMA to be an active member of the international organization, whether at the level of its Board of Directors or through the membership of its working committees, after becoming a member in May 2017. The second of these events, which follows the above-mentioned international meeting, on the following day, starting at 9 am, is the opening of CMA's fourth annual conference entitled "Capital Markets Development through Regional Initiatives".

Moreover, the "Capital Market Reforms Through Regional Initiatives" was the title of the 4th Annual Conference of the Capital Markets Authority of Kuwait (CMA), which was held at the Jumeirah Messilah Hotel & Spa, for one day in the presence of several officials and economic figures, who had the opportunity to participate. Invitations were sent to many including ministers, governors, directors-general of associations, unions and companies, as well as members of the Financial and Economic

Affairs Committee at the National Assembly, as well as former Commissioners and representatives of committees and councils related to CMA activities, and many academics and deans of universities and various colleges.

The Capital Markets Authority of Kuwait (CMA) signed today a Memorandum of Understanding with Kuwait Financial Intelligence Unit on cooperation and exchange of information in the field of combating money laundering and associated original crimes and the financing of terrorism. The CMA was represented by Chairman of the Board of Commissioners of the Capital Markets Authority - Managing Director, and the Kuwait Financial Intelligence Unit was represented by Acting Head of the Kuwait Financial Intelligence Unit.

The purpose of this agreement is primarily to establish a mechanism for the exchange of information between the Kuwait Financial Intelligence Unit and the Capital Markets Authority and to establish a framework for cooperation and coordination between them, especially with regard to AML / CFT, in accordance with the relevant provisions of this Memorandum. In addition, CMA Kuwait signed off a new sponsorship agreement with "INJAZ Kuwait" to implement awareness programs targeting Secondary and High School levels over a period of two academic years (2019/2020-2020/2021) as part of its Awareness project "National Project for Promoting Financial Literacy". The first awareness workshop of the program was organized at "Mashaan Al-Khudair Secondary School" for Boys located in Mishref targeted 56 students, followed by another workshop in "Suad Al-Sayegh School" for Girls located in Jaber Al-Ali targeted 123 students. Both workshops were presented by CMA's staff along with INJAZ representatives, and the rest of the program's events shall be implemented during the current semester. Signing this agreement is a continuation of the first phase of a joint cooperation within the "National Project for Promoting Financial Literacy" that was launched early 2017 targeting the educational sector starting at Secondary Schools Level up to Colledge & University levels and extended for two academic years (2016/2017-2017/2018). The first phase led to the implementation of (192) awareness workshops presented by CMA volunteers in (48) schools targeted a total of (2216) students in both Secondary and High School levels.

The Capital Markets Authority of Kuwait (CMA) signed a Memorandum of Understanding (MoU) with the GCC Board of Directors Institute Today. This agreement laid the foundation for the cooperation between the two parties through the exchange of information regarding corporate governance and board effectiveness, in an effort to enhance the role, effectiveness, level and capabilities of the companies' board of directors in the State of Kuwait that are subject to the corporate governance regulations issued by the Capital Markets Authority for sound and effective corporate governance. The signing of this agreement is part of CMA's continuous efforts to achieve its main objectives, especially in establishing sound corporate governance practices, in line with the rapid pace of changes and developments in this area, both regionally and globally, which in turn reflects the urgent need to cooperate with institutions active in this field particularly on the education and training side to keep up with those changes and developments.

Furthermore, the "Hawkamah Institute" for Corporate Governance of the Dubai International Financial Center Authority (DIFC) and the Capital Markets Authority of Kuwait (CMA) recently signed a Memorandum of Cooperation to promote efficient corporate governance practices for listed companies in Kuwait, and raise awareness of their importance among these companies in particular and among other State institutions in general. The memorandum aims to the cooperation between both parties in order to educate members of the boards of directors, executive management and secretariats concerned with governance, auditing, and risk at listed companies in the securities exchange and other licensed shareholding companies by the Capital Markets Authority, with the latest developments in governance and best international practice. The memorandum includes enabling "Hawkamah Institute" to provide practical advice and trends to these companies on improving governance practices to enhance their ability to obtain external financing and raise their capacity and operational efficiency in addition to improving their status, as well as consulting between the Institute and the Authority on governance

rules in Kuwait, and discuss what is necessary to improve and bring them closer to the best international practices according to the laws in force at the State.

UN Global Compact accepted FRA as a participant public sector organization on 16 January 2019. FRA has become the 206th public sector organization joining the UN Global Compact and the second financial regulatory authority, after the Securities Commission of the Republic of Serbia, which joined UN Global Compact in February 2017. In addition, FRA signed a cooperation protocol with the Arab Academy for Science, Technology and Maritime Transport at FRA's headquarters. The protocol aims at implementing postgraduate programs between Investment and Finance Institute at the Academy and the Egyptian Institute of Directors in order to open prospects for cooperation through offering the MBA program in the field of corporate governance, health sector governance, bank governance and compliance.

FRA announced that the International Network of Financial Centres for Sustainability (FC4S Network) has accepted FRA to be a member of its Network. In this respect, the non-banking financial sector in Egypt can achieve the first steps to establish Regional Financial Center for Sustainability in Cairo. The Egyptian economy gains a foothold within the International Network of Financial Centres for Sustainability (FC4S Network). Egypt will host the meetings of emerging markets in the Greater Middle East and the annual meeting of the Africa / Middle-East Regional Committee at the same time in November 2020.

Egypt represented by the Financial Regulatory Authority (FRA) will retain its seat in the Executive Committee of the International Organization of Pension Supervisors (IOPS) for the coming period 2020-2021 for the third time in a row. FRA wins the elections of the Executive Committee held during the (IOPS) annual meeting in the city of Tirana, Albania. On the sidelines of these international events, a ceremony will be held to celebrate the first decade of FRA's establishment since the issuance of Law No. 10 of 2009 which gave it the unified regulatory personality on all non-banking financial activities. These events will highlight the entry of other non-banking financial services added to the Authority's mandate as it happened five years ago through the issuance of Microfinance Law in late 2014 that facilitates and provides access to microfinance to a wide range of Egyptian society estimated at three million Egyptian citizens.

FRA signed of a cooperation protocol with the General Authority for Investment and Free Zones (GAFI) on electronic exchange of data and information to set up accounting system for foreign direct investments in Egypt. This protocol comes within the framework of fruitful and constructive cooperation between FRA and GAFI to improve the investment climate and environment in Egypt and support investment policies. Also, the protocol aims at providing information and data on foreign investments in Egypt, collecting all items related to foreign investment in Egypt, and applying all the decisions issued in respect.



FRA signed of a memorandum of understanding with the Central Bank of Egypt (CBE) to enhance joint cooperation between the two parties in the field of combating money laundering and terrorist financing. Signing the memorandum of understanding comes in preparation for the process of evaluating the applied systems to combat money laundering and terrorist financing in Egypt, according to the Methodology for Assessing Compliance with the FATF Recommendations and the Effectiveness of AML/CFT Systems. The evaluation process focuses mainly on the conformity of legislations, regulations, instructions and procedures with international standards and it is scheduled to start in the first quarter of 2020.



14th
Annual
Report

2019

UASA Activities

UASA Activities

The Union of Arab Securities Authorities (UASA) have sought to support cooperation between Arab Securities Authorities in various fields in order to promote development and economic integration and improve organizational and legal status of Arab financial markets, and access to the highest levels in the areas of market oversight and upgrade to an international level of efficiency, transparency and fairness. The following is a summary of the most important activities of the Union in 2019:

Within the framework of strengthening cooperation and communication between the Union members, the General Secretariat carried a number of activities as follows:

I. Strengthening cooperation and communication between the Union members

Within the framework of strengthening cooperation and communication between the Union members, the General Secretariat carried a number of activities as follows:

1) Multilateral Memorandum of Understanding between the Union members:

The General Secretariat completed the final version the multilateral memorandum of understanding to be signed from the Union members. The MMoU aims to promote cooperation among the Arab Authorities in the field of the legislations application, to ensure the commitment of the related parties to the capital markets and to achieve fairness and transparency, especially with respect to illegal practices and manipulation, and the exchange of information on the risks and cybercrimes. It also aims to exchange information and experiences in the implementation of corporate governance principles and the principles of financial infrastructure, as well as training, exchange of experiences and raise of the authorized persons efficiency to promote the principles of integrity and professionalism. The MMoU represents a general framework of agreement for cooperation between the members of the Union in the areas of green capital markets and anti-money laundering and terrorist financing. The memorandum was presented to the members of the Union during 2019 where their comments on the memorandum were taken into account and the memorandum was reworded in its final form in order to take the necessary procedures to sign it once agreed by the Board.

2) The Second Arab Capital Markets Conference:

The Union of Arab Securities Authorities (UASA), in cooperation with Jordan Securities Commission (JSC), held the second Arab Capital Markets Conference on “Enhancing Transparency and Financial Innovation” in Fairmont Amman Hotel during 27-28 March 2019.

About 350 participants attended the event including regulators, Arab and regional stock exchanges, policy makers, economic and financial decision makers and leaders of Arab, regional and international financial institutions. The conference was sponsored by a number of local, regional and international entities, mainly the Arab Bank, the strategic sponsor of the conference, Cairo Amman Bank as gold partner, and Jordan TV as media partner. Supporting partners include to Jordan Investment Trust Company, Jordan Islamic Bank, CFA Institute, Jordan Kuwait Bank, Housing Bank, Excel Invest and Manafsoft. Gulf Bonds and Sukuk Association (GBSA) and the Chartered Institute for Securities and Investment (CISI) were the professional partners of the conference.



The opening session of the conference started by the speech of His Excellency the Prime Minister of the Hashemite Kingdom of Jordan Dr. Omar Al Razzaz represented by HE. Mohammed Saleh Al Hourani, Chairman of Jordan Securities Commission, and Mr. Fadi Fakih, Executive Member of Lebanon Capital



Markets Authority board of directors and the representative of the UASA Chairman for the twelfth session. In addition to the Strategic partner Speech, presented by Mr. Neme Sabbagh, CEO of the Arab Bank. And the speech of Mr. Jalil Tarif, the Secretary General of the Union of Arab Securities Authorities.

During the first session, the conference discussed the role of supervision in promoting the development of capital markets and protecting investors, how to contain systemic risks, default risk and market disruption, in addition to entry standards and capital requirements, and how to minimizing the

damage and loss of investors. The new challenges facing MiFidII were also addressed.

The second session presented the ways how to cope with the challenges facing financial market infrastructure by adopting proper balance between regulation and innovation, the regulatory perspective toward the artificial intelligence, machine learning, and the distributed ledger technology (DLT). In addition, the panel discussed the regulatory implications of the initial coin offerings (ICOs) and crypto currencies, and the implementation of Block chain in stock markets, as well as cyber security and resiliency and how to face financial crimes.

The third session, entitled "Enhancing governance in the Arab capital markets", discussed a number of topics especially how to enhance transparency, disclosure, and investors protection and the role of international organizations in this regard, particularly the implementation of the OECD and G20 principles and the challenges faced in MENA region. This panel discussed also the role of regulators in protecting minority shareholders and ways to achieve gender balance in corporate leadership. Speakers also addressed challenges to boost corporate governance in the State-owned enterprises (SOEs).

The fourth session of the conference discussed the issues of insider trading enforcement in emerging markets, and the developments in Arab capital markets, openness to foreign investment, and benefiting from the opportunities it offers. In addition, exit policies, exchange risks, and the importance of facilitating the investments flow between countries wre also addressed. During this session, the speakers discussed also, the gap between the emerging and advanced markets, and the challenges facing the derivatives markets, CCPs and direct markets access (DMA).



The fifth session entitled “Islamic Finance, Collective investment schemes and fixed income instruments” presented the challenges facing Islamic finance in the Arab capital markets, and highlighted the impact of ETFs on liquidity, transparency and market efficiency. It discussed also the required infrastructure for asset managers, brokers and investors, and the role of new FinTech in developing Islamic financial products and CIS in Arab capital markets.

The sixth session discussed the issues of financial inclusion and the role of regulators, professional certification, continuous education and training, professional and ethical standards, and markets analysis in protecting small investors and minority shareholders. This session discussed also the challenges facing regulators efforts towards promoting financial literacy and capacity building.

The Seventh and last session discussed the post-trade transparency, settlement and clearing initiatives and derivatives markets updates especially the covered short selling, lending and borrowing. The implementation of the settlement cycle (T+2), the principle of payment versus delivery (DVP), the CCPs role in Arab markets, and the back-office operations and their role in capital markets ecosystem were also addressed.

On the sidelines of the conference, a memorandum of understanding was signed to exchange expertise and knowledge in the field of arbitration in Islamic finance between the Union of Arab Securities Authorities and the International Islamic Centre for Reconciliation and Arbitration (IICRA). The MOU aims to increase cooperation in the field of self-capacity building, training and consultation on strengthening the Shari'ah-based securities industry. The MoU was signed by the Chairman of Jordan Securities Commission (JSC) / Chairman of the Union of Arab Securities Authorities H.E. Mohammed Saleh Al-Hourani, and Mr. Musa Shehadeh, Board Member of the International Islamic Centre for Reconciliation and Arbitration.



II. Enhancing the UASA international role and activities

Promoting the Union International activities and achieving harmony in the stand of its members in international forums is one of the main UASA objectives, which is affirmed in the strategic plan for the years 2016 - 2020. Within this framework and during the third year of the strategic plan, following are the main achievements of the UASA:

IOSCO 44th Annual Conference :



Members of the International Organization of Securities Commissions (IOSCO) met at the organization’s 44th Annual Conference in Sydney, Australia to discuss and address issues facing securities market regulators and supervisors. The Australian Securities and Investment commission (ASIC) hosted the meeting which was held during the period 13-17 May 2019.

During IOSCO Presidents committee meeting (PC), the chair welcomed the members to the meeting and explained the new format of the meeting which intends to focus on substantive issues to encourage members to participate actively in the discussion. The

PC chair highlighted that IOSCO Board's new priority setting process based on conclusions of the Risk Outlook. Several topics were covered including crypto assets, artificial intelligence and machine learning, sustainable finance, market fragmentation, data privacy, asset management, and technical assistance and capacity building. A signing ceremony of the MMoU and the enhanced MMoU was made for the newly admitted signatories. It is worth mentioning that the Commission D'organisation et de Surveillance des Operations de Bourse (COSOB) signed the MMoU during the signing ceremony. The next IOSCO Annual Meeting was assigned to be held on 8-10 June 2020 in Dubai, United Arab Emirates followed by a public conference organized by the Securities and Commodities Authority of UAE.



The AFRICA-MIDDLE EAST REGIONAL COMMITTEE (AMERC) approved the adoption of summary of Conclusions of the AMERC Meeting held in Kuwait. A discussion to identify AMERC inputs into the work of the Emerging Risks Committee and the Risk Outlook Report for 2020 took place. The Chair of the AMERC Working Group on Listings presented a summary of milestones achieved and the next steps following the 42nd AMERC Meeting held in Kuwait. It is worth mentioning that the next AMERC meeting will be held in Qatar in 2020 and will be hosted by Qatar Financial Markets Authority.

The IOSCO GEM Committee meeting discussed several topics related to emerging markets including sustainable financing and FinTech. The Secretary General of Islamic Finance Services Board (IFSB), made a presentation on IFSB work followed by an open discussion among the GMC members. Also, the topic on capacity building was raised and initiatives to provide greater support to emerging market members was discussed where the Assessment Committee Capacity Building Program Chair provided a presentation on the capacity building exercise carried out during 2018. It is worth mentioning that the IOSCO Secretariat will provide an update on the IOSCO's overall capacity building efforts where members can provide feedback on the top priority topics for capacity building in their jurisdictions.

III. Achieving harmony and consistency in regulations of the Union members

1) Issuing guidelines on the general rules adopted by Arab capital markets:



In implementation of the UASA's Board directives, which are included in the strategic plan for the Union for the years 2016-2020, specifically those related to the initiatives of achieving harmony and consistency among Union members in the areas of issuance, listing, disclosure, insider trading and governance, as well as raising the professional level of companies listed on the Arab stock exchanges. Within this framework, and in light of the completion of the work related to preparing the general guidelines through the efforts of the working group in coordination and cooperation with the UASA's General Secretariat, where the Secretariat began working on issuing a unified guide for all general rules and principles issued by the Union aiming to facilitate reaching out to such information to all UASA members and other interested parties.

2) Issuing a code of ethics:

The Union of Arab Securities Authorities (UASA) has issued guidelines adopted by the UASA's Board in their last meeting in Amman on Code of Ethics for Arab Capital Markets. These guidelines fall within the objectives and initiatives of the UASA Strategic Plan for the period 2016-2020. It is worth mentioning that these rules will serve as guides to enhance harmony and convergence between the UASA Members, and contribute to promote and strengthen the flow of investments among the members' countries. The guidelines include a set of rules that can be used by the Arab Capital Authorities to prepare their own rules in accordance with their regulations and legislation. These rules dealt with issues related to job obligations, supervisory job obligations, conflict of interest, and personal investments in and out of the financial market. These rules also included guidance provisions regarding the acceptance of gifts and hospitality, dealing with the press and the media, post-employment with the Authority, reporting of irregularities and illegal activities, as well as provisions relating to violations of professional conduct and enforcement.

3) Guidelines for the minimum requirements for entities working in the Arab financial markets:

The issuance of the guidelines for the minimum requirements for entities working in the Arab financial markets is based on the decision of the Union of Arab Securities Authorities (UASA) regarding the implementation of the objectives and initiatives of the strategic plan. One of its main areas of focus was achieving harmony between the legislations and regulations of the Union members in order to develop guidelines to improve the professional level of the entities working in the Arab financial markets. In light of the decision of the Union Board in this regard at its twelfth meeting held in the city of Beirut, a working group was formed to prepare this guide in collaboration with the General Secretariat of the Union, to establish a general framework of the minimum requirements to be met in the entities working in the financial markets.

Within this framework, the working group reviewed the legislations and regulations of the Union members, in order to determine the minimum requirements that should be met in the financial services companies operating in the Arab financial markets, where a manual has been drafted to follow as a general guideline that represents the minimum requirements to be met in the entities working in the financial markets.

It is worth mentioning that this guide has merely set a general framework for the minimum requirements to be met by the entities operating in the financial markets without going into the details related to securities business and activities in terms of the requirements needed to be registered, or the conditions and qualifications of the requirements to be registered for the licensees and other related details. This is due to the differences in classification used by the UASA members despite their agreement on the content and nature of the work of each requirement.

The guidelines included the establishment of a general framework and principles applicable to licensed companies, as well as the standards set by regulators and that are applied to the licensed companies, capacity and appropriateness standards, financial eligibility standards, competence standards, integrity standards, honesty, compliance standards and information leakage arrangements standards. It also included criteria for customer funds and assets as well as criteria for the relationship with the customer.

The guidelines also covered aspects related to the functions of registration and general requirements for practicing business; this includes licensing requirements, the powers of regulators regarding the application, the continuation of licensing, change and amendment, the responsibilities of registered persons, cancellation of registration, and the powers of regulators to audit the accounts of a licensed establishment.

The guidelines also included aspects related to record-keeping, cessation of business and revocation of a license, as well as penalties. The guidelines also included a special annex that includes the documents required for licensing securities business.

4) Guidelines for issuance and listing in the Arab financial markets:

The issuance of guidelines for issuance and listing in the Arab financial markets is consistent with the objectives of the Union of Arab Securities Authorities (UASA) to upgrade the legislative and regulatory level of the Arab securities markets in a manner that establishes fairness, efficiency and transparency, as well as to unify efforts to reach effective levels of control over transactions in securities markets; in addition to achieving cooperation and coordination between the members of the Union to achieve maximum harmony and unison concerning the relevant laws and regulations. The issuance of these guidelines is in line with the objectives of the Strategic Plan of the Union for the years 2016-2020, where the plan for the aspect of harmony and unison between the legislation and regulations of the Union Member, aims to develop guidelines and guidelines for the issuance and listing for the members of the Union.

Within this framework, the team formed by the UASA Board at its 12th meeting held in Beirut in 2018 in cooperation with the General Secretariat of the UASA, has prepared guidelines and general principles relating to the initial issuance and listing for the Union Members. The team based their preparation of said guidelines on the efforts of a number of Arab and regional authorities in this field, including the General Secretariat of the Gulf Cooperation Council (GCC) and the International Organization of Securities Commissions (IOSCO) in addition to the legislation in force of the Union members and others.

The guidelines related to issuance included determining the documents related to offering, the appointment of the parties to the offering, as well as provisions relating to the offering that did not require a prospectus, as well as the offering procedures and publishing information. The guidelines also included a chapter on guidelines for issuing and suspending investment funds. As for the guidelines related to listing, it included setting the conditions for listing, suspending listing, listing fees, listing of bonds and listing of funds, in addition to establishing guidelines related to listing and trading of foreign issuances.

It is worth mentioning that the strategic plan of the UASA has confirmed that the issuance of such rules will be a mere guideline to assist Union members to enhance harmony between the different Arab legislations that govern the issuance, public offering and listing, which contributes to promote the flow of investments between UASA members..

5) Guidelines for disclosure of the listed companies in the Arab financial markets:

Disclosure systems ensure the balance of financial markets, protect investors and increase their confidence by disclosing the expected risks that may affect corporate policies. It also enables investors to make timely investment decisions, which contributes to the effectiveness of the financial markets, supports liquidity ratio and facilitates communication between companies and investors. A strong disclosure system can help attract foreign capital and investors and maintain confidence in the financial market. On the contrary, poor disclosure and opaque practices can cause distrust and imbalance in financial markets, adversely affecting businesses, investors and the economy in general.

In recent years, the disclosure process has been managed by regulators, in addition to the issuance of a number of standards and norms by international organizations related to financial markets such as the Organization for Economic Cooperation and Development (OECD), the International Organization of Securities Commissions (IOSCO) and the Islamic Financial Services Board (IFSB) that issued the guidelines related to the disclosures of Sukuk and Islamic collective investment programs.

In the context of the continued expansion of the number of disclosure legislations, their overlap, inconsistency and weak effectiveness could be observed. Therefore, the issuance of guidelines for disclosure can make

the legislations of the member states of the Union of Arab Securities Authorities (UASA) stronger and more effective, while working to encourage voluntary disclosure of companies in addition to mandatory disclosure determined by legislation. In the light of international experience in this field, there are limitations to mandatory disclosure, which is based on legislation that cannot cover practically all the information to be disclosed. Therefore, mandatory disclosure is the minimum, and companies must voluntarily disclose more than it is required under the legislation in force.

Within this framework, the UASA started preparing for the creation of common guidelines for disclosure and trading based on inside information for adoption by the members of the Union. These guidelines have been incorporated within the framework of the implementation of the strategic plan initiatives of the Union for the period 2016-2020, in order to achieve the objectives of the Union to improve the legislative and regulatory level of Arab stock markets to achieve fairness, efficiency and transparency, and unify efforts to reach effective levels of control over transactions in the Arab stock markets and to achieve maximum harmony and compatibility levels with regard to the relevant laws and regulations.

These guidelines have been prepared by the working committee in cooperation with the General Secretariat of the UASA, based on the best practices adopted by the members of the Union and on an international level. The development of these guidelines was also based on the results of a number of surveys and studies issued by the General Secretariat of the Union on transparency and governance of companies listed in the Arab financial markets, and rules on transparency, corporate governance and disclosure issued by a number of regional and international bodies such as the Gulf Cooperation Council and the Organization for Economic Cooperation and Development (OECD) The International Organization of Securities Commissions (IOSCO), the Bank for International Settlements (BIS), the International Governance Network (ICGN) and the Islamic Financial Services Board (IFSB).

The guidelines included aspects relating to disclosure of financial information, disclosure in the report of the Board of Directors, disclosure of material events, disclosure of ownership of securities and continuing disclosure. A chapter is also devoted to the guidelines related to inside trading, as well as fines and enforcement. The guidelines also included a special summary whereby events and information that were announced through continuous disclosure were identified. It is worth mentioning that a guide has been issued on the procedures to be followed to reduce the trading violation based on inside information and the forms used to disclose inside information..

6) Secondment and assignments guideline:

The UASA General Secretariat has set up a secondment and assignment guidelines to provide means to facilitate the professional development of staff and to respond to members' short-term needs for any program of work in order to benefit from the competency secondment and to meet the requirements of professional development. The UASA General Secretariat can contribute in coordinating among members and facilitate the secondment process. The host party may communicate directly with the Secretariat and provide the conditions that must be met by the seconded staff member. The Secretariat shall communicate with the rest of the members and nominate the employee (s) with the required qualifications. It is worth mentioning that the UASA's General Secretariat has developed the above-mentioned guidelines in preparation for adoption by the UASA Board.

IV. Capacity Building

The UASA's General Secretariat implemented a number of specialized training programs in line with the requirements and training needs of the Union members. The preparation of these training programs came within the framework of the UASA's strategic plan 2016-2020 objectives that was approved by the UASA Board in early 2016. The plan aimed for self-capacity building by holding a series of training programs and workshops to contribute in the development of self-regulatory capacities and enhancing the efficiency

and effectiveness of regulatory authorities in various areas. The training programs specifically target the human cadres working in the regulatory authorities at different levels of employment, especially those working in regulatory and supervision aspects of capital markets institutions. Some programs also target other entities operating in the capital markets, including exchanges, deposit and settlement centers, brokerage firms, listed companies, banks, financial institutions and other entities related to the capital markets.

The UASA's training are carried out by a group of distinguished institutions and institutes with extensive experience in the fields of capital markets. These institutions are also committed to the best international standards in this field. In addition, the UASA's General Secretariat in cooperation with a group of experts in various fields, has carried out specific programs designed to meet the requirements of the Union members as well as the entities, institutions and companies under their supervision. The training programs implemented during 2018 included a set of training programs that would qualify the participant to obtain an internationally recognized professional certificate after passing the required examinations. The training programs offered include a number of programs designed to meet the needs and requirements of the members.

The following is a review of the most important programs implemented during 2019:

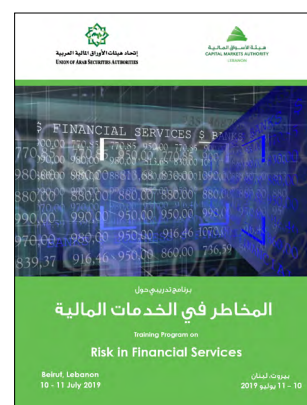
1) Training program on “Combating Financial Crimes” – Qatar



The Qatar Financial Markets Authority (QFMA), in collaboration with the Union of Arab Securities Authorities (UASA), held a specialized training program on “Combating Financial Crimes”. The two-day training program was participated by 144 trainees representing 51 entities, including professionals and those working within financial services industry, involved in regulation, law enforcement, trade and commerce, as well as private sector. The program addressed various issues related to financial crimes, including money laundering, terrorist financing, bribery, corruption and fraud, along with the practical defenses, and focuses on how laws, regulations and best practice continue to evolve across the entire spectrum of associated activities. The training program discussed the role of the private sector in combating such crimes, which aims to enable participants with the tools to examine the crimes of money laundering, terrorist financing, bribery, corruption and fraud. At the end of the training program, participants were given official certificates issued by the UASA, and the possibility of obtaining a professional qualification from the Chartered Institute for Securities and Investment “CISI” after passing the appropriate exam.

2) Training program on Risk In Financial Services – Lebanon

The Union of Arab Securities Authorities and Capital Markets Authority of Lebanon will hold a training program on Risk in Financial Services on 10-11/07/2019 in Hilton Downtown Hotel, Beirut. The program aims to familiarize participants with the risks facing capital markets, including operational, investment and liquidity risks, etc, as well as corporate risk management. This program represents a part of the UASA Strategic Plan 2016 – 2020, within the framework of capacity building pillar, the plan aimed to hold series of training programs and workshops to contribute in developing the regulators supervisory capacities and to enhance the efficiency and effectiveness.



3) Training Programs – UAE

The UASA General Secretariat in cooperation with the Securities and Commodities Authority - UAE



implemented 8 training programs during 2019. These programs included the Securities, Derivatives, Fintech Innovation & Application of Blockchain, International Certificate in Wealth and Investment Management, Risk in Financial Services, Investigation Methods and Monitoring Financial Market Violations, and Risk Management.

4) Training Program on Compliance, Corporate Governance and Risk Management – Oman



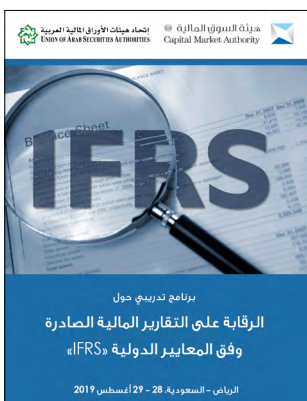
The Capital Market Authority organized a training program titled "Compliance, Corporate Governance and Risk Management" in collaboration with the Union of Arab Securities Authorities at the Sundus Rotana Hotel Muscat during 25-25 November 2019. The program aims to acquaint the participants with the concepts of compliance, corporate governance and risk management, and the role of the regulators and supervisors of capital markets. The program highlighted a number of relevant issues from the point of view of the regulator. The program targeted employees of capital market institutions especially the workers of surveillance, disclosure, listing and enforcement departments and the employees of stock exchanges, the depository and other entities such as financial intermediaries, financial institutions and banks.

5) Training Program on Clearing, Settlement and Depository – KSA

The Union of Arab Securities Authorities (UASA) and Capital Market Authority of KSA held a training program on clearing, settlement and depository, during the period 27-28/11/2019. The program aimed to provide participants with knowledge on the subject of clearing, settlement and depository in financial markets with a focus on the topic of CCPs in terms of functions and structure, in addition to explaining the IOSCO standards and rules. This program represents a part of the UASA Strategic Plan 2016 – 2020, within the framework of capacity building pillar, the plan aimed to hold series of training programs and workshops to contribute in developing the regulators supervisory capacities and to enhance the efficiency and effectiveness.



6) Training Program on Regulator's oversight of financial reporting issued according to the IFRS – KSA



The Union of Arab Securities Authorities held, in cooperation with the Saudi Capital Market Authority, a training program on Regulator's oversight of financial reporting issued according to the (IFRS), during the period 28 - 29/8/2019. The program discussed the financial reporting requirements and how the regulators use the financial reports prepared by the issuers in accordance with the International Financial Reporting Standards "IFRS" to enhance the regulators capabilities and serves the financial markets.

7) Training Programs – Kuwait

The UASA General Secretariat in cooperation with the Capital Market Authority of Kuwait implemented 9 training programs



during 2019. These programs included Risk in Financial Services, Corporate Governance Supervision and Enforcement, International Certificate in Wealth and Investment Management, Merger & Acquisition, Listing, disclosure & Transparency Rules, Regulator's oversight of financial reporting issued according to the (IFRS), Capital Markets International Trends and Developments, Forensics Accounting and Fraud Detection, and Emotional intelligence of leaders. A number of employees of the Kuwait Capital Market Authority participated in the programs.

9) UASA Training Plan for 2019:

The UASA General Secretariat in cooperation with the members of the Union, completed the development of a comprehensive plan for training programs to be implemented during 2020, which included a series of specialized training programs which were based on the following principles:

- 1) A number of different training programs were designed to be implemented during 2020. These programs covered a number of training requirements related to supervision, inspection, risk management, enforcement, compliance, combating financial crimes in capital markets and financial technology from a supervisory perspective, collective investment schemes and management of international relations and investor relations. There is flexibility in designing different training programs to suit the other training needs of Union members.
- 2) Most training programs are conducted in Arabic with the use of English in some cases, especially terminologies, and a number of programs are designed in English. Note that the members of the Union can hold most of the proposed training programs in both Arabic and English, as preferred.
- 3) The UASA General Secretariat in cooperation with a number of specialized training agencies and specialized experts with high competence to implement these programs in accordance with the best international standards applied. It was also confirmed that participating in a number of these programs will provide the trainee with the opportunity to apply for a scheduled examination so that the trainee will receive on the passing of these examinations the certificates of professional accredited by specialized international centers.
- 4) The programs are offered with reasonable fees depending on the nature of the facilities provided by the host (members) of the program as well as the nature of the program provided. Members who wish to host these programs can cover logistics and other requirements. Training programs can also be held outside.
- 5) Authorities (members) wishing to participate invites various local authorities to participate in the chosen training program. Authorities wishing to participate may choose more than one training program, and may also invite other Union members or any other external parties to participate in the training programs.

The following is a review of the most important training programs covered by the UASA Training Plan 2019. The following table shows the most important training programs that qualify participants to obtain an internationally accredited professional certificate.

Table (1)

Training programs that qualify participants to obtain internationally accredited professional certificates

| | Training Program | Duration (days) | Language |
|----|--|------------------------|------------------|
| 1 | Fundamentals of Financial Services | 3 | English / Arabic |
| 2 | Global Securities | 3 | English / Arabic |
| 3 | Risk in Financial Services | 3 | English / Arabic |
| 4 | Islamic Finance – Advanced Level | 4 | English / Arabic |
| 5 | Combating Financial Crimes | 2 | English / Arabic |
| 6 | Global Financial Compliance | 2 | English / Arabic |
| 7 | International Certificate in Wealth and Investment Management | 3 | English / Arabic |
| 8 | Derivatives | 5 | English / Arabic |
| 9 | Operational Risk | 2 | English / Arabic |
| 10 | Introduction to Securities & Investment <small>INTERNATIONAL</small> | 3 | English |

In addition to the specialized professional training programs that qualify the participants to obtain an internationally recognized professional certificate, the UASA's General Secretariat in cooperation with the members of the Union and based on the results of the questionnaires that were conducted to determine the training requirements of the members. And in light of international developments in the financial markets, and to allow the training programs to meet the requirements mentioned, a number of training programs were tailored taking into account the importance of covering the rapid and modern developments in the capital markets and providing participants with the necessary scientific and professional skills and expertise in each field these areas.

The following is a review of the most important training programs adopted in this regard:

Table (2)

Training programs designed to meet the training requirements of the Arab capital markets

| | Training Program | Duration (days) | Language |
|---|---|------------------------|------------------|
| 1 | Fundamentals of Economics and Financial Markets | 3 | English |
| 2 | Capital Markets International Trends and Developments | 2 | English / Arabic |
| 3 | The Challenges of FinTech and RegTech for Capital Markets | 1 | English |
| 4 | Fintech Innovation & Application of Blockchain | 3 | English |
| 5 | FINTECH and Regulations | 2 | English / Arabic |
| 6 | Digitalization / Digital Transformation | 2 | English |

| | Training Program | Duration (days) | Language |
|----|---|------------------------|------------------|
| 7 | Digital Awareness | 2 | English / Arabic |
| 8 | Cybersecurity and Data Compliance | 2 | English |
| 9 | Managing Cyber Security | 2 | English |
| 10 | Artificial Intelligence & Cyber security- how to be prepared | 2 | English / Arabic |
| 11 | Enhancing the Oversight Role of the Securities Authorities | 2 | English / Arabic |
| 12 | Business Performance Development in a Regulatory Environment | 3 | English |
| 13 | Strategic Management for Securities Regulators | 3 | English |
| 14 | Risk Management for Regulators | 3 | English |
| 15 | Risk Management in Financial Services | 3 | English / Arabic |
| 16 | Credit Risk Assessment of Financial Instruments under IFRS 9 | 2 | English |
| 17 | Technical & Fundamental Analysis | 4 | English / Arabic |
| 18 | Professional Technical Analysis | 3 | English / Arabic |
| 19 | Islamic Sukuk | 3 | Arabic |
| 20 | Islamic Finance: Sharia Standards and Oversight, Governance | 4 | Arabic |
| 21 | Arbitration in Securities and Sukuk Disputes | 2 | Arabic |
| 22 | Arbitration and Disputes Resolution in Financial Markets | 2 | Arabic |
| 23 | Oversight and inspection in financial markets | 2 | Arabic |
| 24 | Financial Fraud Identification | 2 | Arabic |
| 25 | Combating Financial Crimes in Financial Markets | 2 | English / Arabic |
| 26 | Developing Effective Fraud Prevention Policy | 3 | English |
| 27 | Regulation, Compliance & Anti Money Laundering | 4 | English / Arabic |
| 28 | Investigation Methods and Monitoring Financial Market Violations | 3 | English / Arabic |
| 29 | Forensics Accounting and Fraud Detection | 2 | English |
| 30 | Regulator's oversight of financial reporting issued according to the IFRS | 2 | English / Arabic |
| 31 | CRYPTO World- Compliance & Financial Crimes | 2 | English / Arabic |

| | Training Program | Duration (days) | Language |
|----|---|------------------------|------------------|
| 32 | Combatting Bribery and corruption | 2 | English / Arabic |
| 33 | AML -general | 2 | English |
| 34 | Fraud and Ethics | 2 | English / Arabic |
| 35 | Compliance in Financial Markets | 3 | English / Arabic |
| 36 | Assessing and Enhancing Regulatory Compliance | 3 | English |
| 37 | Corporate Governance Supervision and Enforcement | 2 | English |
| 38 | Corporate Governance in Capital Markets | 2 | English / Arabic |
| 39 | Corporate Governance & Corporate social responsibility (CSR) in Financial markets | 3 | English / Arabic |
| 40 | Compliance, Corporate Governance & Risk management | 3 | English / Arabic |
| 41 | Corporate Governance: Effective Implementation and Measurement | 3 | English |
| 42 | Corporate Governance intersection with Compliance in financial markets | 2 | English / Arabic |
| 43 | Clearing, Settlement and Depository | 2 | English / Arabic |
| 44 | Investment Performance Evaluation | 2 | English |
| 45 | Investing in Collective Investment Schemes | 3 | English / Arabic |
| 46 | Merger & Acquisition | 2 | English |
| 47 | Portfolio & Asset Management | 3 | English / Arabic |
| 48 | Investor Relations | 2 | English |
| 49 | Emotional Intelligence | 2 | English / Arabic |
| 50 | Leadership | 2 | English / Arabic |
| 51 | Women in Leadership | 2 | English / Arabic |
| 52 | Emotional intelligence of leaders | 3 | Arabic |
| 53 | Work Pressure Management | 2 | Arabic |
| 54 | Workplace stress management | 2 | Arabic |
| 55 | Presentation skills and impact on the audience | 2 | Arabic |
| 56 | Communication, and building and leading teams skills | 3 | Arabic |

V. Investor Education and Awareness

The UASA General Secretariat issued a glossary for the most frequently used financial terms in French after issuing it in Arabic and English last year, thus the glossary now covers financial terms in Arabic, English and French. It is noteworthy that the addition of the French language to the glossary was an initiative of the Commission D'Organisation Et De Surveillance Des Opérations De Bourse of Algeria (COSOB) in cooperation with members of the Union. The release of this glossary comes in conjunction with the International Investor Week, celebrated by the International Organization of Securities Commissions (IOSCO) and international financial markets and regulators, in light of the importance of ongoing efforts to protect investors and enhance the efficiency and transparency of capital markets.



VI. UASA's participation in Arab and International Conferences, Seminars, and Activities

During 2019, the General Secretariat of the Union participated in many local, regional and international events and activities. The most important of these activities can be summarized as follows:

1) The 42nd AMERC meetings



The African and Middle East Regional committee of IOSCO held its 42nd annual meeting in Kuwait on 22/01/2019 with the participation of the regulators from the AMERC region. It is worth mentioning that the IOSCO's Secretary General and UASA's Secretary General also attended the meeting. The meeting discussed the main challenges facing the capital markets in the region, particularly those related to the development of financial technology (FinTech) and the volatility of the financial markets due to geopolitical and economic factors.

2) World Exchange Congress 2019

The UASA General Secretariat participated in the World Exchange Congress which was held in Beirut on the 26th and 27th of February. A number of regulatory authorities, financial markets and related financial institutions participated in the event, where a number of issues of interest to the capital markets were discussed. The UASA Secretary General moderated a panel on how can regulators respond to the emerging challenges impacting the functioning of markets. Participants stressed on the importance of cooperation between regulatory authorities, financial markets and financial service providers to provide the necessary support to encourage the development of capital markets to serve the financial sector as well as the importance of keeping pace with legislation for such development.



3) The UASA signs MoU with IICRA

The Union of Arab Securities Authorities (UASA) signed a memorandum of understanding with the International Islamic Centre for Reconciliation and Arbitration (IICRA) to exchange expertise and knowledge in the field of arbitration in Islamic finance. The MoU was signed by the Chairman of



Jordan Securities Commission (JSC) / Chairman of the Union of Arab Securities Authorities H.E. Mohammed Saleh Al-Hourani, and H.E. Musa Shehadeh, Board Member of the International Islamic Centre for Reconciliation and Arbitration. The signed MoU with IICRA comes as the center is dealing with Islamic finance issues, especially disputes related to Islamic finance instruments and sukuks, and aims at enhancing cooperation and constructive partnership to achieve the joint strategic objectives of the two parties, especially those related to Islamic finance,

in particular cooperation in self-capacity building, training and consultation on strengthening Shari'ah-based securities industry.

4) MENA-OECD Working Group Taking Action For Sound Corporate Governance

The MENA-OECD working group on corporate governance met in the OECD headquarters in Paris during the period 17-18 April 2019. The meeting discussed issues related to developing strategies to improve access to capital and taking action for



greater transparency and disclosure, in addition to gender balance in corporate leadership. The meeting also discussed issues on implementing change to boost the corporate governance of state-owned enterprises and implementing the G20-OECD principles as well as future steps for cooperation between OECD and MENA economies. The UASA's Secretary General, Jalil Tarif, participated in the meeting and provided a presentation during the second session on driving the implementation of policies to improve access to capital. The presentation discussed the main obstacles threatening the implantation of the policies to promote greater access to equity markets in the MENA economies and what is the role of international cooperation in enhancing the capacity of key institutions to encourage more dynamic capital markets. Moreover, the presentation discussed the strategies that are in place in the MENA economies to further develop domestic investor base including facilitating the access to capital for small and medium enterprises (SMEs), protection of minority shareholders, and enhancing transparency of related parties' transactions.

5) Financial Sector Development Conference



The Financial Sector Development Conference which was held in Riyadh on the 24th and 25th of April 2019 discussed investment opportunities in financial sector of Saudi Arabia and the major achievements especially the inclusion of the financial market in the emerging markets indices and the enhanced rating of the Kingdom in corporate governance in

the Global Competitiveness report issued by the World Economic Forum. The Conference organized by the three sponsors of the Financial Sector Development Program, part of the Kingdom Vision 2030, represented by the Ministry of Finance, Saudi Arabian Monetary Authority, and the Saudi Capital Market Authority. The conference attended by international financial sector leaders from around the world. The UASA General Secretariat, represented by the Secretary General of the Union of Arab Securities Authorities, attended the Conference.

6) Growth And Emerging Markets (GEM) Committee Annual Meeting For The Year 2019

The IOSCO Growth and Emerging Markets (GEM) Committee held its Annual Meeting and Conference in St. Petersburg, Russia from 19 to 20 September, 2019, with the participation of the Committee's members, a number of the UASA members and the UASA General Secretariat.



The Committee discussed a number of issues related to Fintech in emerging markets and the use of innovation facilitators (innovation hubs, regulatory sandboxes and accelerators). They also discussed sustainable financing in emerging markets and the recently published report in this regard. The committee also discussed market developments and regulatory updates by GEMC members and particularly national initiatives in crypto assets as well as national digital asset regulatory framework and tokenization initiatives. The committee spotted on initiatives to provide greater support to emerging market members where a presentation about emerging priorities for IMF technical assistance work with securities regulators, including cyber security, crisis management and financial stability risk analysis was conferred. Also the committee members discussed IOSCO's capacity building efforts and elicit feedback on possible capacity building initiatives for GEMC members. It is worth mentioning that a workshop on Building Financial Resiliency for a Changing Environment – Empowering Leadership was held and a number of practical cases were discussed on the sidelines of the annual meetings of the Committee.

7) COMCEC 8th Capital Market Regulators Forum



The Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation "COMCEC" held its 8th capital market regulators forum in Istanbul/Turkey on the 26th of September 2019. This year's forum meeting has focused on market development, Islamic finance, financial literacy and capacity building in the member countries the role of regulators in this regard. The committee also discussed regulatory and financial market updates of forum member countries. The forum was attended by a number of capital markets authorities' members of COMCEC and other international institutions as well as the UASA's secretariat.

8) Forum on Derivatives Markets in the MENA Region

The UASA's General Secretariat has participated in the Middle East Investor Relations Association (MEIRA) 10th Annual Conference on 26/9/2018 in Dubai. The



Dubai International
Financial Centre



CME Group

conference discussed a number of issues related to the development of investor relations among companies and reviewed the most important challenges in this field in the countries of the Middle East and North Africa (MENA). Awards were given to a number of companies that showed a distinguished performance in applying investor relations best practices, annual reports and websites.

9) IIF Financial Inclusion Conference



The Institute of International Finance (IIF) held a conference on Digital Financial Inclusion in Cairo with the participation of a number of experts and specialists and international regional institutions interested in financial inclusion in addition to the UASA's General Secretariat. The conference discussed a number of issues of interest to the financial sector, especially those related to the use of modern technologies in promoting and building viable business within an appropriate legislative environment which encourages the development of the SMEs sector. The conference also discussed the challenges facing the financial sector related to innovation, especially those related to the regulatory framework and the importance of enhancing cooperation between the financial sector, technology and regulators.

10) Celebrating the 10th anniversary of the Egyptian FRA



The UASA's General Secretariat participated in the 10th anniversary of the Financial Regulatory Authority of Egypt (FRA), under the patronage and presence of the Prime Minister and a number of officials, representatives of local, regional and international institutions that are related to the financial sector. On this occasion, FRA organized a number of panel discussions and workshops related to the capital markets. The panel discussions and workshops discussed the issues related to the financial sector including access to finance and mobilizing finance for sustainable development projects and inclusive growth in addition to the effects of the use of technology within the financial sector, especially with regard to the impact of new technologies and innovation on financial markets, especially the risks and challenges facing regulatory authorities on the financial sector due to increased use of new technologies in the financial sector.

VII. UASA's Surveys, Reports, and Studies

During 2019, the General Secretariat of the Union issued the following reports and studies, after being approved during the 13th meeting of the UASA board held in Jordan.

1) The UASA issues a number of new guidelines

The Union of Arab Securities Authorities issued a number of guidelines related to the achievement of harmony and convergence among the Members' legislations, these guidelines fall within the objectives and initiatives of the UASA Strategic Plan for the period 2016-2020. The relevant working group in cooperation with the Union General Secretariat prepared these guidelines in light with the decision of UASA Board in this regard at its twelfth meeting held in Beirut, and taking into consideration the Board recommendations at its thirteenth meeting held in Amman and the comments received from the UASA members.

These initiatives include the issuance of guidelines for "Disclosure of Listed Companies", "Minimum Requirements for Companies Operating in Capital Markets", and "Issuance and Listing in the Arab Financial Markets" as well as the issuance of General Rules / Models for insider trading in accordance with the best international standards and practices.

It is worth mentioning that these rules will serve as guides to increase harmony and convergence between the UASA Members, and contribute to promote and strengthen the flow of investments among the members' countries.

These guidelines are:

[Guidelines for the minimum requirements for entities working in the Arab financial markets](#)

The issuance of the guidelines for the minimum requirements for entities working in the Arab financial markets is based on the decision of the Union of Arab Securities Authorities (UASA) regarding the implementation of the objectives and initiatives of the strategic plan. One of its main areas of focus was achieving harmony between the legislations and regulations of the Union members in order to develop guidelines to improve the professional level of the entities working in the Arab financial markets. In light of the decision of the Union Board in this regard at its twelfth meeting held in the city of Beirut, a working group was formed to prepare this guide in collaboration with the General Secretariat of the Union, to establish a general framework of the minimum requirements to be met in the entities working in the financial markets.

Within this framework, the working group reviewed the legislations and regulations of the Union members, in order to determine the minimum requirements that should be met in the financial services companies operating in the Arab financial markets, where a manual has been drafted to follow as a general guideline that represents the minimum requirements to be met in the entities working in the financial markets.

It is worth mentioning that this guide has merely set a general framework for the minimum requirements to be met by the entities operating in the financial markets without going into the details related to securities business and activities in terms of the requirements needed to be registered, or the conditions and qualifications of the requirements to be registered for the licensees and other related details. This is due to the differences in classification used by the UASA members despite their agreement on the content and nature of the work of each requirement.

The guidelines included the establishment of a general framework and principles applicable to licensed companies, as well as the standards set by regulators and that are applied to the licensed companies, capacity and appropriateness standards, financial eligibility standards, competence standards, integrity standards, honesty, compliance standards and information leakage arrangements standards. It also included criteria for customer funds and assets as well as criteria for the relationship with the customer.

The guidelines also covered aspects related to the functions of registration and general requirements for practicing business; this includes licensing requirements, the powers of regulators regarding the application, the continuation of licensing, change and amendment, the responsibilities of registered persons, cancellation of registration, and the powers of regulators to audit the accounts of a licensed establishment.

The guidelines also included aspects related to record-keeping, cessation of business and revocation of a license, as well as penalties. The guidelines also included a special annex that includes the documents required for licensing securities business.

Guidelines for issuance and listing in the Arab financial markets

The issuance of guidelines for issuance and listing in the Arab financial markets is consistent with the objectives of the Union of Arab Securities Authorities (UASA) to upgrade the legislative and regulatory level of the Arab securities markets in a manner that establishes fairness, efficiency and transparency, as well as to unify efforts to reach effective levels of control over transactions in securities markets; in addition to achieving cooperation and coordination between the members of the Union to achieve maximum harmony and unison concerting the relevant laws and regulations. The issuance of these guidelines is in line with the objectives of the Strategic Plan of the Union for the years 2016-2020, where the plan for the aspect of harmony and unison between the legislation and regulations of the Union Member, aims to develop guidelines and guidelines for the issuance and listing for the members of the Union.

Within this framework, the team formed by the UASA Board at its 12th meeting held in Beirut in 2018 in cooperation with the General Secretariat of the UASA, has prepared guidelines and general principles relating to the initial issuance and listing for the Union Members. The team based their preparation of said guidelines on the efforts of a number of Arab and regional authorities in this field, including the General Secretariat of the Gulf Cooperation Council (GCC) and the International Organization of Securities Commissions (IOSCO) in addition to the legislation in force of the Union members and others.

The guidelines related to issuance included determining the documents related to offering, the appointment of the parties to the offering, as well as provisions relating to the offering that did not require a prospectus, as well as the offering procedures and publishing information. The guidelines also included a chapter on guidelines for issuing and suspending investment funds. As for the guidelines related to listing, it included setting the conditions for listing, suspending listing, listing fees, listing of bonds and listing of funds, in addition to establishing guidelines related to listing and trading of foreign issuances.

It is worth mentioning that the strategic plan of the UASA has confirmed that the issuance of such rules will be a mere guideline to assist Union members to enhance harmony between the different Arab legislations that govern the issuance, public offering and listing, which contributes to promote the flow of investments between UASA members.

Guidelines for disclosure of the listed companies in the Arab financial markets

Disclosure systems ensure the balance of financial markets, protect investors and increase their confidence by disclosing the expected risks that may affect corporate policies. It also enables investors to make timely investment decisions, which contributes to the effectiveness of the financial markets, supports liquidity ratio and facilitates communication between companies and investors. A strong disclosure system can help attract foreign capital and investors and maintain confidence in the financial market. On the contrary, poor disclosure and opaque practices can cause distrust and imbalance in financial markets, adversely affecting businesses, investors and the economy in general.

In recent years, the disclosure process has been managed by regulators, in addition to the issuance of a number of standards and norms by international organizations related to financial markets such as the Organization for Economic Cooperation and Development (OECD), the International Organization of Securities Commissions (IOSCO) and the Islamic Financial Services Board (IFSB) that issued the guidelines related to the disclosures of Sukuk and Islamic collective investment programs.

In the context of the continued expansion of the number of disclosure legislations, their overlap, inconsistency and weak effectiveness could be observed. Therefore, the issuance of guidelines for disclosure can make the legislations of the member states of the Union of Arab Securities Authorities (UASA) stronger and more effective, while working to encourage voluntary disclosure of companies in addition to mandatory disclosure determined by legislation. In the light of international experience in this field, there are limitations to mandatory disclosure, which is based on legislation that cannot cover practically all the information to be disclosed. Therefore, mandatory disclosure is the minimum, and companies must voluntarily disclose more than it is required under the legislation in force.

Within this framework, the UASA started preparing for the creation of common guidelines for disclosure and trading based on inside information for adoption by the members of the Union. These guidelines have been incorporated within the framework of the implementation of the strategic plan initiatives of the Union for the period 2016-2020, in order to achieve the objectives of the Union to improve the legislative and regulatory level of Arab stock markets to achieve fairness, efficiency and transparency, and unify efforts to reach effective levels of control over transactions in the Arab stock markets and to achieve maximum harmony and compatibility levels with regard to the relevant laws and regulations.

These guidelines have been prepared by the working committee in cooperation with the General Secretariat of the UASA, based on the best practices adopted by the members of the Union and

on an international level. The development of these guidelines was also based on the results of a number of surveys and studies issued by the General Secretariat of the Union on transparency and governance of companies listed in the Arab financial markets, and rules on transparency, corporate governance and disclosure issued by a number of regional and international bodies such as the Gulf Cooperation Council and the Organization for Economic Cooperation and Development (OECD) The International Organization of Securities Commissions (IOSCO), the Bank for International Settlements (BIS), the International Governance Network (ICGN) and the Islamic Financial Services Board (IFSB).

The guidelines included aspects relating to disclosure of financial information, disclosure in the report of the Board of Directors, disclosure of material events, disclosure of ownership of securities and continuing disclosure. A chapter is also devoted to the guidelines related to inside trading, as well as fines and enforcement. The guidelines also included a special summary whereby events and information that were announced through continuous disclosure were identified. It is worth mentioning that a guide has been issued on the procedures to be followed to reduce the trading violation based on inside information and the forms used to disclose inside information.

2) Issuing glossary of the most common used financial terms in French

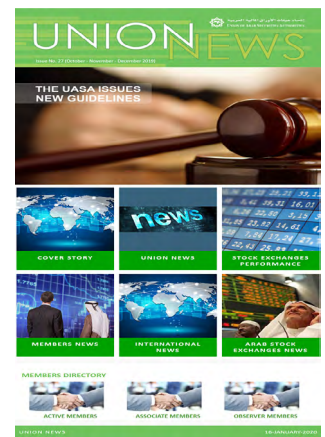
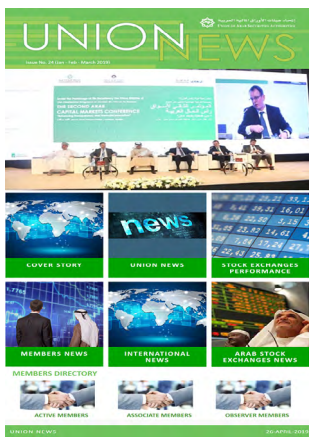
The UASA General Secretariat issued a glossary for the most frequently used financial terms in French after issuing it in Arabic and English last year, thus the glossary now covers financial terms in Arabic, English and French. It is noteworthy that the addition of the French language to the glossary was an initiative of the Commission D'Organisation et de Surveillance des Opérations de Bourse of Algeria (COSOB) in cooperation with members of the Union. The release of this glossary comes in conjunction with the International Investor Week, celebrated by the International Organization of Securities Commissions (IOSCO) and international financial markets and regulators, in light of the importance of ongoing efforts to protect investors and enhance the efficiency and transparency of capital markets..

VIII. Press and Publications

The UASA Secretariat issued the 13th annual report, after being approved by the Union Board during its annual meeting held in Lebanon last year. The report presents the most important activities of the members in market regulation and oversight, enforcement, awareness and cooperation. The report also presents the most prominent work of the UASA completed in 2019.



The UASA Secretariat continued also issuing the quarterly newsletter "Union News". The newsletter covers the latest developments and events and news related to the Arab and the international capital markets from various aspects, especially with regards to the new regulations and significant events and new releases and actions taken by the securities with respect to oversight and disclosure, enforcement, awareness and education of investors and other aspects related to capital markets . The bulletin covers as well the UASA Secretariat news, programs and projects being implemented in various fields. During 2019, the UASA published 4 editions of the quarterly newsletter. The newsletter was distributed to the Union's members, the Arab Stock Exchanges and different Arab, regional and international institutions and bodies.





14th
Annual
Report

2019

Financial Statements 2019

INDEPENDENT AUDITORS' REPORT TO BOARD MEMBERS

Independent auditor's report to the Board of the Union of Arab Securities Authorities

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Union of Arab Securities Authorities (The "Union") as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Union's financial statements comprise:

- the statement of financial position as at 31 December 2019;
- the statement of financial performance for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Union in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Responsibilities of Management on those charged with governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Union or to cease

operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Union's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Unions internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



For PricewaterhouseCoopers
Rami Sarhan
Registered Auditor Number 1152
Abu Dhabi, United Arab Emirates

Statement of Financial Performance for the year ended 31 December

| | 2018 (AED) | 2019 (AED) |
|--|-------------|-------------|
| Revenues | | |
| Membership fees | 883,200 | 883,200 |
| Contributions from hosting country | 600,725 | 605,360 |
| Training income | 1,006,819 | 1,642,667 |
| Interest Income | 10,546 | 12,924 |
| Total Revenues | 2,501,290 | 3,144,151 |
| Expenses | | |
| Staff Costs | (1,450,889) | (1,694,009) |
| General and administrative expenses | (866,954) | (1,390,216) |
| Reversal/(charge) of provision for impairment of balances due from related parties | 72,907 | (55,200) |
| Other income | - | 3,680 |
| Total expenses | (2,244,936) | (3,135,745) |
| Increase/(Decrease) in net residual attributable to the general reserve from operations | 256,354 | 8,406 |

Statement of Financial Position as at 31 December

| | 2018 (AED) | 2019 (AED) |
|---|------------|------------|
| Assets | | |
| Non-current assets | | |
| Equipment | 19,499 | 9,856 |
| Current assets | | |
| Trade and other Receivables | 37,555 | 105,632 |
| Due from related parties | 323,222 | 321,666 |
| Cash and bank balances | 1,798,211 | 2,082,509 |
| | 2,748,281 | 2,509,807 |
| Total Assets | 2,767,780 | 2,519,663 |
| Liabilities | | |
| Non-current liabilities | | |
| Provision for employees' end of service benefits | 484,747 | 605,131 |
| Current liabilities | | |
| Other payables and accruals | 209,472 | 352,721 |
| Due to a related party | 306,540 | 375,677 |
| | 516,012 | 728,398 |
| Total liabilities | 1,000,759 | 1,333,529 |
| Net residual attributable to the general reserve | 1,177,728 | 1,186,134 |

Statement of changes in general reserve account for the year ended 31 December

| | 2018 (AED) | 2019 (AED) |
|--------------------------------|------------|------------|
| Balance as at 1 January | 921,374 | 1,177,728 |
| Surplus/(Deficit) for the year | 256,354 | 8,406 |
| Balance at 31 December | 1,177,728 | 1,186,134 |

Statement of Cash Flows for the year ended 31 December

| | 2018 (AED) | 2019 (AED) |
|---|------------|------------|
| Cash flows from operating activities | | |
| Surplus/(Deficit) for the year | 256,354 | 8,406 |
| Adjustments for: | | |
| Depreciation | 9,643 | 9,643 |
| Interest income | (10,546) | (12,924) |
| Net impairment (loss) / recoveries on financial assets | (72,907) | 55,200 |
| Provision for impairment of balances due from related parties | (72,907) | (441,600) |
| Provision for employees' end of service benefits | 117,024 | 120,384 |
| Operating cash flows before changes in working capital | 299,568 | (260,891) |
| Changes in working capital: | | |
| Trade and other receivables | (16,437) | (68,078) |
| Due from related parties | (198,295) | 387,957 |
| Other payables and accruals | (23) | 143,249 |
| Due to a related party | 24,035 | 69,137 |
| Net cash flows generated from/(used in) operating activities | 108,848 | 271,374 |
| Cash flow from investing activities | | |
| Purchases of equipment | (7,808) | - |
| Interest income received | 10,546 | 12,924 |
| Net cash flows generated from/(used in) investing activities | 2,738 | 12,924 |
| Net increase/(decrease) in cash and cash equivalents | 111,586 | 284,298 |
| Cash and cash equivalents at the beginning of the year | 1,686,625 | 1,798,211 |
| Cash and cash equivalents at the end of the year | 1,798,211 | 2,082,509 |



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Summary of the Members Activities
in 2019



I. Market Regulation

| Country | Authority | Activities |
|---------|-----------|--|
| UAE | SCA | <ul style="list-style-type: none"> • AMENDMENTS TO REGULATIONS RELATING TO INSTITUTIONAL DISCIPLINE STANDARDS AND GOVERNANCE OF PUBLIC JOINT-STOCK COMPANIES • LAUNCH OF FUND PASSPORTING LEGISLATION ENABLING UAE-WIDE PROMOTION OF INVESTMENT FUNDS • SCA APPROVES PROPOSED MECHANISM TO CALCULATE ADEQUACY STANDARDS FOR MANAGEMENT COMPANIES AND INVESTMENT MANAGERS • SCA AND DFM PLAN TO LAUNCH A GOVERNANCE INDEX, THE FIRST OF ITS KIND, FOR LISTED COMPANIES • AMENDMENT OF THE REGULATIONS ON TRADING, CLEARING, SETTLEMENT, TRANSFER OF OWNERSHIP AND CUSTODY OF SECURITIES • SCA ISSUES DECISION ON ADEQUACY STANDARDS FOR INVESTMENT MANAGERS AND MANAGEMENT COMPANIES TO PROTECT INVESTOR ASSETS AND PROMOTE FINANCIAL SYSTEM STABILITY • SCA'S BOARD OF DIRECTORS ADOPTS THE GENERAL CLEARING MEMBER ACTIVITY REGULATIONS • AMENDMENTS ON SCA'S REGULATIONS • SCA CONSULTANTS COUNCIL MEETING • SCA SEEKS TO GATHER INDUSTRY FEEDBACK ON CRYPTO ASSET DRAFT REGULATIONS • SCA PRESENTS ITS VISION FOR THE DEVELOPMENT OF SUKUK MARKETS IN MIDDLE EAST AND AFRICA |
| TUNISIA | CMF | <ul style="list-style-type: none"> • ENACTMENT OF THE LAW DATED MAY 29TH, 2019 RELATING TO THE IMPROVEMENT OF THE INVESTMENT CLIMATE • ENACTMENT OF THE GOVERNMENTAL DECREE DATED MAY 17TH, 2019 • ENACTMENT OF THE LAW DATED APRIL 30TH, 2019 RELATING TO THE AUDIT COURT • TUNIS STOCK EXCHANGE'S CMF REGULATION AMENDMENTS |
| KSA | CMA | <ul style="list-style-type: none"> • AN ANNOUNCEMENT REGARDING THE PROCEDURES AND REQUIREMENTS RELATING TO THE ISSUER WHOSE SECURITIES ARE LISTED ON THE EXCHANGE WHEN APPLYING FOR COURT FOR COMMENCING A FINANCIAL RESTRUCTURING PROCEDURE • CMA ADOPTS THE AMENDED CORPORATE GOVERNANCE REGULATIONS, THE REGULATORY RULES AND PROCEDURES ISSUED PURSUANT TO THE COMPANIES LAW RELATING TO LISTED JOINT STOCK COMPANIES AND ITS GUIDANCE NOTE • ANNOUNCEMENT OF PUBLISHING THE RULES ON THE OFFER OF SECURITIES AND CONTINUING OBLIGATIONS FOR PUBLIC CONSULTATION • ADOPTION OF THE INSTRUCTIONS FOR THE FOREIGN STRATEGIC INVESTORS' OWNERSHIP IN LISTED COMPANIES • AMENDMENT OF THE CAPITAL MARKET LAW • THE CMA ANNOUNCES THE ADOPTION OF THE AMENDED RULES ON THE OFFER OF SECURITIES AND CONTINUING OBLIGATIONS |

I. Market Regulation

| Country | Authority | Activities |
|---------|-----------|---|
| OMAN | CMA | <ul style="list-style-type: none"> • NEW COMMERCIAL COMPANIES LAW • CMA ISSUES TAKE OVER AND ACQUISITION REGULATION • TAX ON DIVIDENDS SUSPENDED • CMA PREPARES REGULATION FOR THE CCL FOR PUBLIC CONSULTATION |
| QATAR | QFMA | <ul style="list-style-type: none"> • IQFMA ISSUES THE "FINANCIAL SERVICES RULEBOOK" • QFMA ISSUES THE NEW LISTING RULES & GOVERNANCE CODE FOR FUNDS |
| KUWAIT | CMA | <ul style="list-style-type: none"> • THE CMA POLL ON THE DRAFT CAPITAL ADEQUACY RULES FOR LICENSED PERSONS • THE CAPITAL MARKETS AUTHORITY ISSUES ITS CAPITAL ADEQUACY REGULATIONS FOR LICENSED PERSONS • THE CAPITAL MARKETS AUTHORITY ISSUES THE RESOLUTIONS TO PROVIDE THE OMNIBUS ACCOUNTS STRUCTURE AND SAME NIN CROSSING FOR INTERNATIONAL INVESTORS |
| EGYPT | FRA | <ul style="list-style-type: none"> • FRA BOD APPROVES CONSUMER FINANCE DRAFT LAW • FRA ISSUED CAPITAL ADEQUACY STANDARDS FOR FINANCIAL LEASING AND FACTORING COMPANIES • PREPARING AN UPDATED VERSION OF THE EXECUTIVE REGULATIONS OF CAPITAL MARKET LAW • FRA ISSUES SOME RULES FOR THE FORMATION OF THE FIRST BOARD OF DIRECTORS OF POLICYHOLDER PROTECTION FUNDS • FRA ISSUES THE STATUTE OF THE FIRST EGYPTIAN SECURITIES FEDERATION • FRA ISSUES AN EXECUTIVE DECISION TO ACTIVATE SHORT SELLING MECHANISM • FRA ISSUES NEW AMENDMENTS TO LISTING AND DELISTING RULES • FRA APPOINTS A FOUNDING COMMITTEE TO ELECT THE FIRST BOARD OF THE EGYPTIAN SECURITIES FEDERATION • FRA FINISHES THE DRAFT AMENDMENTS TO SOME PROVISIONS GOVERNING (REIT) AND STATED IN THE EXECUTIVE REGULATIONS OF THE CAPITAL MARKET LAW • FRA ISSUES REGULATORY DECISION NO. 33 OF 2019 ON LICENSING CONDITIONS AND PROCEDURES SET FOR OPERATING IN FUTURES EXCHANGES • FRA BOD ISSUES AN AMENDMENT TO LISTING AND DELISTING RULES FOR FURTHER PROTECTION OF MINORITY RIGHTS • FRA SETS OUT THE RULES AND PROCEDURES FOR PRIVATE PLACEMENT AND PUBLIC OFFERING • FRA ISSUES A PERIODICAL MEMO ON THE OBLIGATIONS OF THOSE DEALING IN NON-BANKING FINANCIAL ACTIVITIES TO COMPLY WITH E-PAYMENT LAW |

I. Market Regulation

| Country | Authority | Activities |
|---------|-----------|---|
| EGYPT | FRA | <ul style="list-style-type: none"> • FRA'S BOD APPROVES A DRAFT LAW ON AMENDING MICROFINANCE LAW TO INCLUDE SMALL AND MEDIUM-SIZED ENTERPRISES (SMES) ALONG TOGETHER WITH MICRO-ENTERPRISES • FRA ISSUES AN EXECUTIVE DECISION TO FACILITATE THE PROCEDURES OF ESTABLISHING HOLDING COMPANIES • FRA SUBMITS A DRAFT AMENDMENT TO THE PROVISIONS OF THE CENTRAL DEPOSITORY AND REGISTRY LAW • AMENDMENTS TO THE PROVISIONS OF THE EXECUTIVE REGULATIONS OF THE CAPITAL MARKET LAW REGULATING REAL ESTATE INVESTMENT TRUST (REITS) • REPUBLICAN DECREE ESTABLISHING AN ARBITRATION CENTER TO SETTLE DISPUTES ARISING FROM NON-BANKING FINANCIAL TRANSACTIONS • FRA ISSUES GUIDELINES ON SUKUK ISSUANCE • A NEW LAW ON "REGULATING THE PRACTICE OF CIVIL WORK" TO ALLOW NGOS TO PRACTICE NON-BANKING FINANCIAL ACTIVITIES AFTER OBTAINING LICENSE FROM FRA • SMES ARE ALLOWED TO ISSUE SHORT-TERM BONDS • FRA AMENDS THE STATUTE OF THE EGYPTIAN FEDERATION FOR SECURITIES TO REDUCE THE CONTROL OF LINKED GROUPS • FRA REQUIRES WOMEN'S REPRESENTATION ON BOARDS OF LISTED COMPANIES AND COMPANIES OPERATING IN NON-BANKING FINANCIAL ACTIVITIES • FRA EXEMPTS LISTED COMPANIES AND OTHER COMPANIES UNDER ITS SUPERVISION FROM AMENDING THEIR STATUTES TO INCLUDE CUMULATIVE VOTING SYSTEM • IN A STEP TO PROMOTE GREEN BONDS ISSUANCE: FRA EXEMPTS ISSUERS OF GREEN BONDS FROM 50% OF SERVICES AND EXAMINATION FEES • FRA ALLOWS PRIVATE LEGAL ENTITIES TO BE ENGAGED IN INVESTMENT FUNDS ACTIVITY • FRA ISSUES THE STATUTE OF FINANCIAL LEASING AND FACTORING UNIONS • RE-ORGANIZING INVESTOR PROTECTION FUND AGAINST NON-COMMERCIAL RISKS • FRA TENDS TO REDUCE FEES ON THE EGYPTIAN EXCHANGES (EGX) TRANSACTIONS BY 41% • FRA'S BOD APPROVES THE ESTABLISHMENT OF THE REGIONAL CENTER FOR SUSTAINABLE FINANCE (RCSF) PURSUANT TO A PRESIDENTIAL DECREE |

II. Market Oversight

| Country | Authority | Activities |
|---------|-----------|---|
| UAE | SCA | <ul style="list-style-type: none"> • SCA LAUNCHES ITS CAPITAL MARKET SUSTAINABILITY PLAN • SCA ENABLES SHAREHOLDERS TO REGISTER ATTENDANCE ONLINE AND VOTE ELECTRONICALLY ON AGENDA ITEMS AND BOARD MEMBER ELECTION AND SELECTION • SCA LAUNCHES ITS E-SERVICES SYSTEM • FORMATION OF A JOINT WORKING GROUP CONSISTING OF SCA, MARKETS AND INDUSTRY REPRESENTATIVES TO DEVELOP A ROADMAP FOR SUPPORTING THE MARKET MAKER • LEADING UAE AUTHORITIES, FINANCIAL EXCHANGES FORM WORKING GROUP TO ADVANCE SUSTAINABLE FINANCE PRACTICES, INVESTMENTS |
| TUNISIA | CMF | <ul style="list-style-type: none"> • SUPERVISION ACTIVITIES • TAKING PART IN THE MENA-FATF ON-SITE INSPECTIONS RELATING TO THE IMPLEMENTATION OF THE MENA- FATF ACTION PLAN |
| KSA | CMA | <ul style="list-style-type: none"> • LAUNCH OF THE INTERNATIONAL CERTIFICATE IN WEALTH MANAGEMENT AND INVESTMENT PROVIDED BY (CISI) |
| OMAN | CMA | <ul style="list-style-type: none"> • CMA SETS A PERIOD OF TWO YEARS TO RENEW THE ACCREDITATION OF AUDIT OFFICES • CMA LAUNCHES WHISTLE BLOWING WINDOW • PUBLIC LISTED COMPANIES PREPARING FOR AGMS • CMA LAUNCHES ELECTRONIC SYSTEM FOR REGISTRATION OF DIRECTORS |
| QATAR | QFMA | <ul style="list-style-type: none"> • QFMA ANNOUNCES THE ENFORCEMENT OF STOCK SPLIT ON 9 JUNE 2019 • COMPLIANCE WITH GOVERNANCE CODE FOR COMPANIES & LEGAL ENTITIES LISTED ON THE MAIN MARKET • QFMA ANNOUNCES THE COMPLETION OF THE SPLIT OF ALL COMPANIES' SHARES AND FUNDS' UNITS LISTED IN QSE |
| KUWAIT | CMA | <ul style="list-style-type: none"> • CMA LAUNCHES THE ELECTRONIC DISCLOSURE SYSTEM XBRL • BIDDING FOR AN EQUITY STAKE IN THE ISSUED SHARE CAPITAL OF BOURSA KUWAIT SECURITIES COMPANY K.P.S.C. • CMA LAUNCHES THE FIRST STAGE OF THE THIRD PHASE OF THE MARKET DEVELOPMENT PROJECT • CIRCULAR NO. (5) OF 2019 TO ALL FUNDS' LIQUIDATORS REGARDING THE QUARTERLY REPORT ON LIQUIDATION WORKS. • CIRCULAR NO. (7) OF 2019 TO ALL PERSONS LICENSED BY THE CAPITAL MARKETS AUTHORITY REGARDING THE NOTIFICATION ISSUED BY THE AMERICAN INTERNAL REVENUE SERVICE (IRS) • CIRCULAR NO. (8) OF 2019 REGARDING THE SUSPICION INDICATORS OF AML AND COMBATING FINANCING OF TERRORISM |

II. Market Oversight

| Country | Authority | Activities |
|---------|-----------|--|
| KUWAIT | CMA | <ul style="list-style-type: none"> • THE CMA SIGNS THE CONTRACT OF MANAGING THE OFFERING OF THE SHARES OF BOURSA KUWAIT SECURITIES COMPANY FOR THE CITIZENS' SUBSCRIPTION • THE CMA IS TAKING IMPORTANT STEPS TO INTRODUCE OMNIBUS ACCOUNTS AND SAME NIN CROSSING TO FOREIGN INVESTORS • LAUNCH OF A NEW ERA FOR LOCAL NON-CONVENTIONAL FUNDS • CMA CONCLUDES BOURSA KUWAIT'S PRIVATIZATION • THE CMA ACTIVATES THE ONLINE PAYMENT FEATURE FOR SOME OF ITS SERVICES |
| EGYPT | FRA | <ul style="list-style-type: none"> • FRA RECEIVES FINANCIAL STATEMENTS FROM COMPANIES AND ENTITIES VIA E-MAIL FOR THE FIRST TIME • A NEW DEADLINE FOR REGULARIZING THE SITUATION OF FINANCIAL LEASING AND FACTORING COMPANIES • A ROAD MAP THAT SETS THE PRIORITIES TO INTRODUCE FUTURES EXCHANGES IN THE EGYPTIAN ECONOMY • FRA ANNOUNCES DETAILS OF THE SCHEDULE SET FOR IMPLEMENTING ITS STRATEGY • FRA OFFERS NON-TRADITIONAL FINANCING SOURCES FOR A LARGE SEGMENT OF ORDINARY CITIZENS • FRA APPROVES CONDENSED FINANCIAL STATEMENTS • EXTENDING THE PERIOD SET FOR REGULARIZING THE STATUS OF LEASING AND FACTORING COMPANIES FOR ANOTHER SIX MONTHS • FRA ADOPTS THE CONTRACT FORM AND STATUTE OF FUTURES EXCHANGE • FRA ALLOWS BROKERAGE COMPANIES TO BE ENGAGED IN DERIVATIVES TRADING • FRA GRANTS THE FIRST SHORT SELLING LICENSE • FRA HOSTS THE FIRST MEETING OF THE EGYPTIAN SECURITIES FEDERATION • FRA PUTS THE FIRST LIST OF INDEPENDENT INTERNATIONAL ENVIRONMENTAL AUDITORS • FRA APPROVES THE FIRST PROGRAM TO OFFER SHORT-TERM BONDS BY ONE OF THE JOINT STOCK COMPANIES OPERATING IN THE FIELD OF SECURITIES BROKERAGE • THE FIRST MEETINGS OF THE BOARD OF TRUSTEES OF THE ARBITRATION CENTER FOR SETTLEMENT OF NON-BANKING FINANCIAL DISPUTES • FRA APPROVES THE INTRODUCTION OF AN INNOVATIVE FINANCING PRODUCT TO MICROFINANCE SECTOR • FORMING THE BOARD OF TRUSTEES OF AN ARBITRATION CENTER FOR THE SETTLEMENT OF NON-BANKING FINANCIAL DISPUTES |

III. Enforcement Actions

| Country | Authority | Activities |
|---------|-----------|--|
| UAE | SCA | <ul style="list-style-type: none"> • SCA INVESTIGATES SUSPECTED VIOLATIONS BY LISTED PUBLIC JOINT STOCK COMPANIES • LEGAL ACTIONS WILL BE TAKEN AGAINST USERS POSTING POTENTIALLY ILLEGAL CONTENT ON SOCIAL MEDIA PLATFORMS, SCA WARNS • SCA REFERS LISTED COMPANY TO PUBLIC PROSECUTION OVER ACQUISITIONS AND DEALS |
| KSA | CMA | <ul style="list-style-type: none"> • AN ANNOUNCEMENT REGARDING THE ISSUANCE OF THE APPEAL COMMITTEE RESOLUTION CONVICTING A VIOLATOR OF THE CAPITAL MARKET LAW AND ITS IMPLEMENTING REGULATIONS • ANNOUNCEMENT FROM THE CAPITAL MARKET AUTHORITY ON THE FINAL DECISION ISSUED BY THE APPEAL COMMITTEE FOR THE RESOLUTION OF SECURITIES DISPUTES • CMA ANNOUNCES THE REFERRAL OF A SUSPICION OF VIOLATING ARTICLE (49) OF THE CAPITAL MARKET LAW AND ARTICLE (2) OF THE MARKET CONDUCT REGULATIONS TO THE PUBLIC PROSECUTION • AN ANNOUNCEMENT REGARDING THE ISSUANCE OF THE APPEAL COMMITTEE RESOLUTION CONVICTING A VIOLATOR OF THE CAPITAL MARKET LAW AND ITS IMPLEMENTING REGULATIONS |
| OMAN | CMA | <ul style="list-style-type: none"> • CMA PREVENTS TWO COMPANIES FROM PRACTICING THE LICENSED ACTIVITIES FOR 3 MONTHS • CMA SUSPENDS EIGHT AUDIT FIRMS FROM AUDITING THE ACCOUNTS OF THE COMPANIES REGULATED BY CMA FOR THREE MONTHS |
| EGYPT | FRA | <ul style="list-style-type: none"> • FRA GRANTS ANOTHER SIX NEW MONTHS TO LISTED COMPANIES THAT DO NOT COMPLETE OFFERING PROCEDURES |

IV. Education and Awareness

| Country | Authority | Activities |
|---------|-----------|---|
| UAE | SCA | <ul style="list-style-type: none"> • SCA'S GOVERNANCE WEEK • PTEC BOARD OF TRUSTEES REVIEWS PTEC ACHIEVEMENTS IN IMPROVING FINANCIAL MARKET PERFORMANCE AND DISCUSSES FUTURE PLANS FOR 2019 • SCA AND NASDAQ DUBAI COLLABORATE TO RAISE AWARENESS OF DERIVATIVES TRADING AMONG INVESTORS • SCA HOLDS FORUM TITLED "AL SHARQIYA YOUTH AND INVESTMENT IN SECURITIES" • SCA AND NASDAQ DUBAI ORGANIZE JOINT AWARENESS-RAISING SEMINAR, TITLED "TRADING DERIVATIVE CONTRACTS IN DOMESTIC MARKETS" • NOTICE FROM THE SECURITIES AND COMMODITIES AUTHORITY REGARDING UNLICENSED COMPANIES AND FICTITIOUS ENTITIES CLAIMING TO HAVE A LICENSE FROM THE AUTHORITY • SCA RELEASES AN AWARENESS-RAISING PUBLICATION ON SUSTAINABLE INVESTING • SCA AND ADX HOLD JOINT AWARENESS-RAISING SEMINAR ON MARKET MAKERS AND LIQUIDITY PROVIDERS • SCA AND ACCI ORGANIZE SEMINAR TO RAISE AWARENESS OF SHAREHOLDERS' RIGHTS IN RELATION TO GENERAL MEETINGS OF PUBLIC JOINT-STOCK COMPANIES • SCA LAUNCHES A ROADMAP FOR ITS FINANCIAL INCLUSION STRATEGY • OPENING BELL AT DFM MARKS THE START OF WORLD INVESTOR WEEK 2019 EVENTS • THE SCA ORGANIZES AN AWARENESS WORKSHOP ON THE GOVERNANCE OF PUBLIC JOINT-STOCK COMPANIES • SCA ORGANIZES A WORKSHOP ON REGULATIONS CONCERNING TERRORIST LISTS AND THE IMPLEMENTATION OF SECURITY COUNCIL RESOLUTIONS ON TERRORISM SUPPRESSION AND PREVENTION • SCA AND DFM ORGANIZE, IN COLLABORATION WITH THE YOUTH HUB, SEMINARS FOR YOUNG PEOPLE ON WORLD INVESTOR WEEK 2019 |
| KSA | CMA | <ul style="list-style-type: none"> • CMA IN COLLABORATION WITH GAZT HOLD A WORKSHOP FOR TRADABLE REAL ESTATE INVESTMENT FUNDS MANAGERS TO EXPLAIN ZAKAT CALCULATION MECHANISM |
| OMAN | CMA | <ul style="list-style-type: none"> • CMA DISPATCH FINANCE AND ACCOUNTING STUDENTS FOR TRAINING IN ARAB COUNTRIES • CMA ORGANIZE TRAINING PROGRAM ON COMPLIANCE, CORPORATE GOVERNANCE AND RISK MANAGEMENT • CMA REVIEWS WITH JUDGES THE REGULATION OF THE CAPITAL MARKET AND INSURANCE SECTOR |

IV. Education and Awareness

| Country | Authority | Activities |
|---------|-----------|--|
| QATAR | QFMA | <ul style="list-style-type: none"> • QFMA HOLDS A TRAINING PROGRAM ON “COMBATING FINANCIAL CRIMES” • QFMA ORGANIZES A WORKSHOP ON ANTI-MONEY LAUNDERING AND COMBATING TERRORIST FINANCING “AML/CTF” • QFMA AND QFIU ORGANIZED PUBLIC-PRIVATE DIALOGUE FORUM ON AML/CTF • A SEMINAR FOR QATAR UNIVERSITY STUDENTS ON ENHANCING FINANCIAL AWARENESS |
| KUWAIT | CMA | <ul style="list-style-type: none"> • “PROVISIONS OF THE PARTIAL PURCHASE OFFER” IS THE SUBJECT OF THE FIRST AWARENESS EVENT OF THE CAPITAL MARKETS AUTHORITY OF 2019 • CMA TARGETS UK-BASED INSTITUTIONAL INVESTORS • THE CAPITAL MARKETS AUTHORITY CONCLUDES ITS AWARENESS CAMPAIGN WITH LAUNCHING QUALIFICATIONS EXAMINATIONS PROJECT FOR REGISTERED EMPLOYMENT POSITIONS • THE CAPITAL MARKETS AUTHORITY ORGANIZES AN AWARENESS EVENT “INDICES AND PASSIVE INVESTING” • THE AWARENESS WORKSHOP PROGRAM OF “THE REGULATORY REQUIREMENTS OF “THE UNLICENSED” LISTED COMPANIES’ FINANCIAL STATEMENTS” • CMA’S SIXTH TRAINING PROGRAM FOR RECENT GRADUATES • SUKUK MARKET DEVELOPMENT IN THE STATE OF KUWAIT” IS THE TOPIC OF AN AWARENESS WORKSHOP • THE CAPITAL MARKETS AUTHORITY WARNS AGAINST THE EXPANSION OF FINANCIAL FRAUD PRACTICES • PRESS RELEASE REGARDING THE IMPLEMENTATION OF THE EUROPEAN GENERAL DATA PROTECTION REGULATION ON THE PROCEDURES AND SYSTEMS OF THE CAPITAL MARKETS AUTHORITY • “ANTI-MONEY LAUNDERING AND COMBATING FINANCING OF TERRORISM” IS THE SUBJECT OF AN EXTERNAL AWARENESS EVENT FOR CMA • THE CAPITAL MARKETS AUTHORITY LAUNCHES THE FIRST PHASE OF THE PROFESSIONAL QUALIFICATIONS PROGRAM |
| EGYPT | FRA | <ul style="list-style-type: none"> • FRA ISSUED AN EXPLANATORY GUIDE TO CUMULATIVE VOTING FOR ELECTIONS OF BOARD MEMBERS OF LISTED COMPANIES AND COMPANIES ENGAGED IN NON-BANKING FINANCIAL ACTIVITIES • FRA BRINGS TOGETHER COMPANIES AND ENTITIES THAT MAY ISSUE SHORT-TERM BONDS AND ELIGIBLE INVESTORS AROUND ONE TABLE • FRA HOSTS THE FIRST COMMUNITY DIALOGUE TO TRANSFORM CAIRO INTO A REGIONAL FINANCIAL CENTER THAT PROMOTES AND DEALS WITH GREEN FINANCE • FRA HOSTS A WORKSHOP ON STANDARDS OF PROFESSIONAL CONDUCT AND THE GIPS • FRA ISSUED THE FIRST DETAILED INVESTOR PROTECTION GUIDE IN EGYPT • FRA ORGANIZED A SERIES OF MEETINGS TO EXTEND THE LEGAL FRAMEWORK GOVERNING FINANCE ACTIVITY IN EGYPT • THE FSI HOLDS ITS FIRST TRAINING COURSE ON DERIVATIVES |

V. International Cooperation

| Country | Authority | Activities |
|---------|-----------|---|
| UAE | SCA | <ul style="list-style-type: none"> • SCA TAKES PART IN AMERC MEETINGS IN KUWAIT • SCA COOPERATES WITH AJMAN CHAMBER TO ENHANCE JOINT REGULATORY AND SUPERVISORY STANDARDS • SCA TAKES PART IN THE 29TH EDITION OF ADIBF • DR. OBAID AL ZAABI MEETS WITH CISI'S CHIEF EXECUTIVE • SCA JOINS GLOBAL FINANCIAL INNOVATION NETWORK • SCA SIGNS A MOU WITH MIDDLE EAST INVESTOR RELATIONS ASSOCIATION • SCA OBTAINS LLOYD'S REGISTER CERTIFICATION FOR ISO 10002:2018 |
| TUNISIA | CMF | <ul style="list-style-type: none"> • RECEIVING THE MAURITANIAN DELEGATION OF CHARTERED ACCOUNTANTS • CFM PARTICIPATES IN THE OECD – MENA WORKING GROUP ON CORPORATE GOVERNANCE MEETING IN PARIS • HOLDING AN INTERNATIONAL CONSULTATION WORKSHOP ON THE GREEN, SOCIAL AND SUSTAINABILITY GUIDELINES IN TUNISIA ON SEPTEMBER 20TH, 2019. THE GUIDELINES WERE DRAFTED IN COLLABORATION WITH THE IFC • LAUNCHING THE CAPITAL MARKET REFORM SUBSEQUENT TO THE DRAFTING OF A DIAGNOSIS BY THE EBRD EXPERTS • ATTENDING THE 2019 EDITION OF THE IFREFI (FRENCH SPEAKING INSTITUTE FOR FINANCIAL REGULATION) ANNUAL MEETINGS THAT TOOK PLACE IN MAURITIUS (PORT LOUIS) FROM SEPTEMBER 4TH- 6TH, 2019. THIS EDITION FOCUSED ON THE MAIN TOPIC OF "THE SUSTAINABLE FINANCE: THE REGULATOR'S ROLE" |
| QATAR | QFMA | <ul style="list-style-type: none"> • QFMA HOSTS THE SECRETARY GENERAL OF THE IOSCO • MOU BETWEEN QU & QFMA FOR JOINT COOPERATION AND EXCHANGE OF EXPERIENCES |
| KUWAIT | CMA | <ul style="list-style-type: none"> • CAPITAL MARKETS AUTHORITY COMPLETES ITS FINAL PREPARATIONS TO ORGANIZE ITS INTERNATIONAL EVENTS • CAPITAL MARKETS AUTHORITY CONCLUDES ITS FOURTH ANNUAL CONFERENCE • CAPITAL MARKETS AUTHORITY SIGNS MEMORANDUM OF UNDERSTANDING WITH KUWAIT FINANCIAL INTELLIGENCE UNIT • CMA SIGNS A SPONSORSHIP AGREEMENT WITH INJAZ KUWAIT AS PART OF THE "NATIONAL PROJECT FOR PROMOTING FINANCIAL LITERACY" • CAPITAL MARKETS AUTHORITY SIGNS A MEMORANDUM OF UNDERSTANDING WITH THE GCC BOARD OF DIRECTORS INSTITUTE • THROUGH A MEMORANDUM OF COOPERATION BETWEEN "HAWKAMAH INSTITUTE" AND "THE CAPITAL MARKETS AUTHORITY", KUWAIT AND U.A.E COLLABORATE IN STRENGTHENING GOVERNANCE PRACTICES |

V. International Cooperation

| Country | Authority | Activities |
|---------|-----------|--|
| EGYPT | FRA | <ul style="list-style-type: none"> • FINANCIAL REGULATORY AUTHORITY (FRA) IN EGYPT JOINS THE UN GLOBAL COMPACT • SIGNING A PROTOCOL OF COOPERATION BETWEEN FRA AND THE ARAB ACADEMY FOR SCIENCE, TECHNOLOGY AND MARITIME TRANSPORT • FRA BECOMES A MEMBER OF THE INTERNATIONAL NETWORK OF FINANCIAL CENTRES FOR SUSTAINABILITY • FRA WILL HOST MEETINGS OF EMERGING MARKETS COMMITTEE (GEM) • FRA WINS THE MEMBERSHIP OF THE EXECUTIVE COMMITTEE OF THE INTERNATIONAL ORGANIZATION OF PENSION SUPERVISORS ((IOPS)) • A PROTOCOL OF COOPERATION BETWEEN THE GENERAL AUTHORITY FOR INVESTMENT & FREE ZONES (GAFI) AND FINANCIAL REGULATORY AUTHORITY (FRA) TO SET UP ACCOUNTING SYSTEM FOR FOREIGN DIRECT INVESTMENTS (FDI) • SIGNING A MOU BETWEEN THE CENTRAL BANK OF EGYPT (CBE) AND FRA TO COMBAT MONEY LAUNDERING AND TERRORIST FINANCING |





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UASA Members Directory

Jordan - Jordan Securities Commission

Arjan Area – Near the Ministry of Interior – Behind Regency Hotel

| | |
|------------|-------------------|
| Telephone: | (+962) 6 560 7171 |
| Fax: | (+962) 6 568 6830 |
| Website: | www.jsc.gov.jo |

United Arab Emirates - Securities and Commodities Authority

Abu Dhabi - Hamdan Street - AL Gaiith Tower -13th Floor

| | |
|------------|------------------|
| Telephone: | (+971 2) 6277888 |
| Fax: | (+971 2) 6274600 |
| Website: | www.sca.gov.ae |

Tunisia - Conseil du Marché Financier

P.O Box: 1003 – Tunisia

| | |
|------------|-----------------|
| Telephone: | +216 71 947 062 |
| Fax: | +216 71 947 252 |
| Website: | www.cmf.org.tn |

Algeria - Cosob

17 campagne chkiken 16045 vald hydra

| | |
|------------|----------------------|
| Telephone: | +213 (0) 21 59 10 21 |
| Fax: | +213 (0) 21 59 10 13 |
| Website: | www.cosob.org |

Saudi Arabia - Capital Market Authority

CMA Head Office, King Fahd Road

| | |
|------------|-----------------|
| Telephone: | (+966 1)2053000 |
| Fax: | |
| Website: | www.cma.org.sa |

Syria - Syrian Commission on Financial Markets and Securities

Floor 3, Old Prime Ministry Bldg., Sabeh Bahrat Square.

| | |
|------------|------------------|
| Telephone: | +(963)11 3310487 |
| Fax: | +(963)11 3310722 |
| Website: | www.scfms.sy |

Iraq - Iraqi Securities Commission

Baghdad, Almutanabi area, Mahala 603, st. 48, Res no. 2

| | |
|------------|----------------------|
| Telephone: | 5421750 / 7270007023 |
| Fax: | |
| Website: | www.isc.gov.iq |

Oman - Capital Markets Authority

3359, 112 Ruwi - Sultanate of Oman

| | |
|------------|-----------------|
| Telephone: | (+968 2)4823100 |
| Fax: | (+968 2)4817471 |
| Website: | www.cma.gov.om |

Palestine - Palestine Capital Market Authority

4041 – El Bireh

| | |
|------------|----------------|
| Telephone: | (+972 2)973563 |
| Fax: | (+972 2)973334 |
| Website: | www.pcma.ps |

Qatar - Qatar Financial Markets Authority

Alkhaleej Al Arabi, Qatar Financial Center, Tower 2

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| Telephone: | (+974 4)4289999 |
| Fax: | (+974 4)4441221 |
| Website: | www.qfma.org.qa |

Kuwait - Capital Markets Authority

Al Hamra Tower, Al Sharq

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| Telephone: | (+965 2)2903000 |
| Fax: | (+965 2)2410169 |
| Website: | www.cma.gov.kw |

Lebanon - Capital Markets Authority of Lebanon

Rome Street - Wardiyeh

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| Telephone: | (+961 1) 750042 |
| Fax: | |
| Website: | www.cma.gov.lb |

Egypt - Financial Regulatory Authority

Smart Village, Alexandria road Giza province

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| Telephone: | (00202) 35345352 , (00202) 35345336 |
| Fax: | (00202) 35345333 |
| Website: | www.fra.gov.eg |

Morocco - Autorité Marocaine du Marché des Capitaux

6 rue Jbel Moussa Agdal-Rabat - Maroc

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| Telephone: | +212(05)37 68 89 00 |
| Fax: | 2120537688946 |
| Website: | www.ammc.ma |

BEIRUT STOCK EXCHANGE - (Associate)

Azarieh street, P.O.BOX: 11-3552

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| Telephone: | +961 1 993555 |
| Fax: | +961 1 993444 |
| Website: | www.bse.com.lb |

Dubai Financial Services Authority - (Associate)

PO Box 75850, Dubai, UAE

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| Telephone: | +971 (04) 362 1500 |
| Fax: | +971 (04) 362 0801 |
| Website: | www.dfsa.ae |

Kuwait Clearing Company - (Associate)

Safat 13081 - Kuwait

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| Telephone: | +9651841111 |
| Fax: | +9651841111 |
| Website: | www.maqasa.com |

Arab Monetary Fund (Observer)

P.O. Box 2818 Abu Dhabi – UAE

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| Telephone: | (+971) (2) 6171400 |
| Fax: | (+971) (2) 6326454 |
| Website: | www.amf.org.ae |

Libya - Libyan Stock Market (Observer)

Al Andalus Area - Tripoly

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| Telephone: | 218 61 909 6934 |
| Fax: | 218 61 909 3067 |
| Website: | www.lsm.ly |