The Palestinian Capital Market Authority Issued Instructions Regarding the Licensing of Electronic Platforms.

The Capital Market Authority’s Board of Directors has issued instructions No. (2) of 2022 regarding the licensing of electronic platforms for the sale or provision of aggregation and comparison services for non-banking financial services.

The issuance of these instructions for licensing electronic platforms for selling non-banking financial services in the insurance, leasing, and securities sectors, as well as providing aggregation and comparison services for non-banking financial products, is in line with the PCMA’s strategy for the years 2021-2025. This strategy is part of a program to promote the use of financial technology in non-banking financial sectors and provide a conducive environment for them.

The instructions aim to develop the regulatory environment to create new electronic distribution channels based on financial technology through electronic platforms that provide electronic financial product or service sales to consumers electronically. Additionally, they aim to provide a service for aggregating and comparing non-banking financial products and services issued by non-banking financial institutions contracted with, making it easier for citizens and consumers to choose and compare available financial products through the platform.

These instructions seek to license electronic platforms to

create a supervisory and regulatory environment for carrying out the activities of electronic platforms in non-banking financial sectors subject to the PCMA's supervision and oversight in Palestine. They enable the PCMA to oversee and regulate financial technology-based solutions and applications through electronic platforms, keep pace with the rapid technological changes imposed by digitization, establish controls for creating, operating, managing, and licensing these platforms, and serve the beneficiaries while ensuring their rights and information security.

It is worth noting that the authority issued Decision No. (1) of 2022 regarding technological controls and rules for securing and protecting information related to providing non-banking financial services through electronic platforms.

You can access the instructions by clicking here.

Signing of the Electronic "Accident Report" Development Project Document

The Palestine Capital Market Authority, the General Administration of the Palestinian Police, the Palestinian Insurance Federation, and the Palestinian Road Accident Victims Compensation Fund signed a document today, Tuesday, for the development of the electronic "Accident Report" system at the Capital Market Authority headquarters.

Those participating in the signing were Engineer Suleiman Al-Khatib, Director of Communications and Information Technology at the General Directorate of Palestinian Police, Ayman Al-

Sabbah, Director of the Insurance Directorate at the Capital Market Authority, Mohammad Al-Rimawi, Chairman of the Palestinian Insurance Federation, and Abdel Latif Khammash, Acting General Manager of the Palestinian Road Accident Victims Compensation Fund.

The project aims to develop an electronic system for reporting road accidents in line with the government's digital transformation agenda in providing services to citizens.

The signing of the document stems from a shared vision to protect the lives and properties of citizens in light of the increasing number of road accidents and the resulting losses and traffic congestion. It is intended to prevent the loss of important information about accidents, which is crucial in determining responsibility and estimating damages. This enables insurance companies and the Fund to deal with the accident based on technical foundations and avoid deception and forgery. Therefore, an agreement has been reached to develop the electronic "Accident Report" system for road accidents.

It is worth noting that the Capital Market Authority has sponsored dialogue between various stakeholders to reduce this phenomenon and address its consequences. These efforts have culminated in the agreement to develop the electronic "Accident Report" system among the main partners, represented by the Traffic Police Directorate, the Palestinian Insurance Federation, and the Palestinian Road Accident Victims Compensation Fund.

The Capital Market Authority Holds a Technical Session on the Regional Insurance Technology Competition.

The Capital Market Authority organized a technical session titled “Ask Me Anything” as part of the activities of the regional insurance technology competition recently launched by the PCMA. The session aimed to address any questions or inquiries from participants in the competition to facilitate their application process, as it is an important stage in the regional insurance technology competition.

The session involved representatives from the PCMA, the Palestinian insurance sector, and the two companies hosting the winners in the Proof of Concept stage, which the winners will participate in after the competition ends. The session was conducted by Fintech Galaxy, a company based in the United Arab Emirates, which the PCMA contracted to organize the competition. During the session, all questions from participants were answered, and attendees were encouraged to utilize the information provided by the speakers to enhance their competition applications.

It is worth noting that the competition is still open for applicants in its two tracks, and the application deadline is upcoming on November 20th. The winners will be announced at the end of the current year. For more information about the competition and the application process, please click on the following link: https://www.fintech-galaxy.com/events-and-programs/pcma-insurtech-wizard-competitions

This was accompanied by an informative meeting about financial leasing conducted by the Capital Market Authority during a tour in the Hebron Governorate.

The Capital Market Authority carried out a tour of industrial and commercial facilities in the Hebron Governorate in partnership with the Hebron Governorate Chamber of Commerce.

The Governor of Hebron Governorate, Major General Jabreen Al-Bakri, received the delegation from the Capital Market Authority, where they discussed the economic situation in the governorate and the efforts made to achieve growth and stability. They also explored avenues of cooperation between the governorate, the Chamber of Commerce, and all components of the Hebron community.

In the same vein, the Chairman of the Hebron Chamber of Commerce and Industry, Abdo Idris, welcomed the delegation from the Capital Market Authority. He emphasized the importance of such visits in building comprehensive work programs that contribute to economic development. He added that it is crucial to meet the needs and aspirations of small and medium-sized enterprises, which play a fundamental role in any development process.

On his part, the General Director of the Capital Market Authority, Barraq Al-Nabulsi, stated that the Hebron

Governorate constitutes a Palestinian economic incubator with all the necessary components for industrial, commercial, and financial growth and development. He emphasized that this visit aims to examine the economic development situation in the Governorate and discuss mechanisms to meet Hebron's financial non-banking sector needs.

In a related context, the Capital Market Authority organized an informative meeting about the financial leasing sector in the Governorate in cooperation with the Hebron Chamber of Commerce and Industry, with support from the Italian Agency for Development Cooperation. Several financial leasing companies in Palestine participated in the event.

Lina Ghbeish, the Director of the Mortgage and Leasing Directorate at the PCMA, highlighted the significant and effective role that financial leasing plays in the development and growth of the Palestinian economy, as it supports the productive asset base and enhances the ability of local economic establishments to compete and keep up with technological advancements.

An Official Holiday on the Occasion of Declaring Independence.

In accordance with the decision of the Council of Ministers No. (16/180/18/m.w/m.a) of 2022 in its weekly session No. (180/18) held on 31/10/2022, it has been decided to consider Tuesday, 15/11/2022, as an official holiday on the occasion of declaring independence.

Palestine Launches a Regional Competition to Promote Insurance Technology.

The Palestine Capital Market Authority, the regulatory body for non-banking financial sectors in Palestine, has announced the launch of a regional competition in insurance technology in collaboration with the German Agency for International Cooperation (GIZ) and under the sponsorship of the Palestinian Insurance Federation. The PCMA is conducting this competition with two tracks: the Insurance Technology Challenge and the Insurance Technology Hackathon in strategic collaboration with Fintech Galaxy, a regional company specializing in this field.

The implementation of the Insurance Technology competition aims to promote an innovative environment that aligns with the developments in the field of insurance technology in the Palestinian insurance sector, which includes ten insurance companies, two of which provide Takaful insurance services.

Both the competition and the hackathon, which are set to be hosted on the "Ebtaker" platform, aim to facilitate the creation of new and advanced digital solutions to drive growth in the markets, enhance inclusive insurance products and services, improve access to these products and services, and enhance understanding among the target groups. These groups include small and medium-sized enterprises, microenterprises, and marginalized categories such as women and individuals with limited income in Palestine.

The competition will revolve around addressing three main challenges facing the insurance sector in Palestine, including

the low level of insurance awareness, the lack of trust between consumers and service providers, and the lack of focus on products and services that meet the needs of consumers. This is where the potential role of insurance technology comes in to address these challenges by facilitating access, usage, and increasing awareness of the importance of using insurance as a risk management tool for various groups and projects.

This competition has been introduced through two tracks. The first track, “Insurtech Hackathon,” deals with innovations that are in the Ideation Phase, while the second track, “Innovation Challenge,” focuses on solutions and applications that are under development or ready for implementation.

Insurance Technology Competition

Entities interested in participating in the Insurance Technology Competition, whether they are local, regional, or international companies, should be specialized insurance technology firms or emerging technology companies with ready solutions for improving access to insurance products and services. These solutions can include innovative distribution channels or insurance services targeting underserved segments such as small and medium-sized and micro-sized enterprises in marginalized and promising sectors like agriculture, as well as small projects led by women and low-income individuals.

There will be two winners for this challenge, each receiving a prize of $5,000 and an opportunity to collaborate with one of the insurance companies operating in the Palestinian insurance market to test their proposed solution.

Insurance Technology Hackathon

As for the “hackathon” focusing on insurance technology solutions, it will feature two challenges, and two winners will be selected from this track, each receiving a prize of $5,000. This track targets solution providers from early-stage startups in the ideation phase, where participants are capable

of presenting innovative and clearly defined ideas or improvements that can contribute to addressing the challenges presented.

The challenges in this track revolve around two main themes: first, increasing access to inclusive insurance services and enhancing insurance awareness. Solutions proposed should facilitate processes related to accessing insurance services. The second theme focuses on enriching and improving the consumer experience with insurance services, addressing solutions aimed at reducing mistrust and skepticism related to insurance policies.

The General Director of the Palestine Capital Market Authority, Barraq Al-Nablusi, stated that this competition is part of the PCMA's five-year strategy (2021-2025) aimed at promoting the use of financial technology in non-banking financial sectors. Al-Nablusi pointed out that the regional and international nature of this competition has implications related to the stability of the insurance market in Palestine and its ability to attract innovative initiatives and ideas for investment in the State of Palestine. He emphasized the importance of providing a nurturing and supportive environment for companies and innovations to come to Palestine.

Al-Nablusi added, "At the beginning of 2021, the PCMA launched the 'Ebtaker' platform, the first of its kind in the Arab region, to encourage and guide comprehensive and sustainable innovations in the financial technology and insurance sectors in the non-banking financial sector."

By the same intimation, Mirna Suleiman, Founder and CEO of Fintech Galaxy, said, "This competition, launched by the PCMA, will leverage innovative information technology solutions to accelerate the transformation in Palestine towards an inclusive digital economy supported by artificial intelligence."

It is worth noting that the competition has launched a web page that includes all the terms, requirements, and participation mechanisms related to the competition. Interested parties can access it through the following link: https://www.fintech-galaxy.com/events-and-programs/pcma-insurtech-wizard-competitions

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The Capital Market Authority, in Partnership with the Palestine Exchange, has Launched the Activities of the World Investor Week in Palestine 2022.

The Palestinian Capital Market Authority, in partnership with the Palestine Exchange, has launched the "World Investor Week 2022" activities, which will run until the upcoming Sunday under the theme "Investment Resilience and Enhancing Sustainable Development." This initiative is part of the campaign initiated by the International Organization of Securities Commissions (IOSCO) for this year.

The launch of the World Investor Week 2022 included a discussion session in collaboration with the Association of Palestinian Local Authorities and the Environmental Quality Authority. The aim was to highlight the most prominent projects of local authorities, promising opportunities, showcase local success stories in green energy, and highlight the achievements of the Environmental Quality Authority. The

session also discussed their educational and environmental awareness-raising roles and their contributions to promoting sustainable development. Additionally, it addressed future prospects and obstacles facing sustainable development projects.

In his comments on the launch, Mr. Murad Jadbah, the Director of the Securities Directorate at the Palestinian Capital Market Authority, emphasized the lasting impact of the COVID-19 pandemic, noting the importance of establishing dynamic partnerships through collaboration between the public and private sectors. This collaboration aims to enhance readiness for implementing sustainable investment initiatives by raising preparedness levels for implementing sustainable investment goals, whereas the PCMA endeavors through its strategy in the Palestinian context and the challenges accompanying the dominance of Israeli occupation over the resources of the Palestinian state, to give increasing attention to environmental and social issues, governance matters, and impact investments. This includes encouraging investors to explore innovative fundraising programs and advanced technologies that benefit both investors and citizens alike.

He added that the aforementioned is achieved through adopting two interconnected action programs. The first program aims to create conducive conditions and an environment that enhances funding for sustainable development goals. The second program focuses on investing in major projects that benefit from both public and private financing to advance the implementation of sustainable development goals.

On his part, the General Manager of the Palestine Exchange, Nihad Kamal, noted that the participation of the Palestine Exchange and the Capital Market Authority for the fifth consecutive year in these events reinforces the global level of the Palestinian securities sector, despite its relatively small size compared to some of the larger member stock

exchanges in the IOSCO in the region and the world.

He further emphasized that financial literacy about investment sustainability is a priority for financial markets, especially in light of investors' global trends towards achieving resilience and sustainability standards in their investments. The aim is to make investments resistant to shocks and capable of quickly returning to work to achieve community development in accordance with the highest standards of governance and transparency.

Kamal expressed his hope that this event would be a turning point in achieving the presented messages, especially with the launch of the Palestine Exchange's new electronic systems that will assist listed companies and the Palestine Exchange through new financial tools supporting the direction towards green and sustainable investments. This aims to attract many investors interested in these tools while enabling companies to provide clear reports on their performance in this field.

In his turn, the President of the Association of Palestinian Local Authorities, Musa Hadid, said, "We hope that our participation in this week will enhance cooperation and partnership among various components of the Palestinian society, including the public and private sectors and local authorities, to achieve sustainable development." He added that there are significant challenges and obstacles to achieving this development, as Palestine lacks some of the key foundations required, which poses a significant challenge for everyone in reaching this goal.

In addition, this week will witness several events focusing on the theme of investment resilience and enhancing sustainable development, in parallel with other financial regulatory authorities and stock exchanges worldwide, involving approximately 103 countries around the world.

In the same vein, the Palestinian Capital Market Authority, in

partnership with the Palestine Exchange, has launched a joint campaign on their social media platforms to disseminate important messages about sustainable development and investment resilience. They have also produced a short video for the same purpose, in addition to numerous radio and television interviews and podcast appearances.

The PCMA and the Palestine Exchange are Discussing the Development of the Palestinian Securities Sector through New Tools and Legislation.

The Capital Market Authority and the Palestine Exchange discussed in a meeting, convened yesterday, the latest developments in the local securities sector and prominent issues that pose challenges to the development of effective strategies for advancing said sector.

The meeting was attended by the General Director of the PCMA, Barraq Al-Nabulsi, and the Chairman of the Palestine Exchange Board, Samir Hulileh, along with the Director of the Securities Directorate, Murad Jadbah, the Director of the of Digital Financial Services and Innovation Directorate, Dr. Bashar Abu Zarour, and the General Manager of the Palestine Exchange, Nihad Kamal, in addition to a team from their respective executive departments.

The participants discussed the necessity of advancing the development of the securities sector, especially in light of the move towards a significant qualitative transformation in the electronic operating environment. This transformation is expected to have an impact on the quality of services provided to the public and the relationship with member brokerage firms. They emphasized the importance of working together with the Palestine Monetary Authority to enact the necessary legislation to ensure an increase in liquidity in the financial market and to implement measures that expand the local financial market system.

Al-Nabulsi stated, “This meeting was convened to explore ways to deepen the market by attracting more new public shareholding companies. It also aims to promote joint efforts among all relevant parties to overcome any legal and regulatory obstacles hindering the achievement of this goal.” He expressed hope that the coming period would witness the launch of new financial instruments to diversify the investment options available to local investors.

He further added that the Capital Market Authority would positively consider all proposals presented by the Palestine Exchange positively and put them on the agenda for decision-making and implementation as soon as possible.

In turn, Hulileh praised the genuine and effective partnership between the Capital Market Authority and the Palestine Exchange, especially in light of their shared aspirations for the development of the securities sector. He emphasized the necessity of creating a legislative framework that is compatible with electronic systems and coordinating all efforts made by all components of the securities sector to achieve ease and speed in transaction execution.

He also added that efforts are currently underway to restructure the shareholder base of the Palestine Exchange to include major local investment institutions. The aim is to

attract new experienced partners in the securities industry to contribute to the development of this vital and important sector. This aligns with the Palestine Exchange’s larger goal of expanding its investor base, intensifying investment awareness activities, developing skills enhancement programs for the boards of directors of listed companies, and launching a range of new investment instruments and competitive services, including those that appeal to the Palestinian youth.

The Capital Market Authority and An-Najah National University have Signed a Joint Memorandum of Understanding (MoU).

The Chairman of the Board of Directors of the Capital Market Authority, Dr. Nabil Kassis, and President of An-Najah National University, Prof. Dr. Abdel Naser Zaid, signed a memorandum of understanding (MoU) between the two parties aimed at enhancing awareness of non-banking financial sectors.

The MoU includes various educational programs and awareness activities that serve students and different academic groups in the areas of securities, insurance, mortgage finance, financial leasing, corporate governance, financial technology, innovation, and financial inclusion.

The MoU also aims to develop educational curricula that reflect these areas, contributing to enhancing the

capabilities and skills of graduates according to the needs of the job market. It also seeks to link these curricula to practical aspects through joint implementation of workshops, training programs, research projects, and specialized studies in these fields.

The Capital Market Authority has Issued its Annual Report for the Year 2021.

The Capital Market Authority has issued its annual report for the year 2021, which includes comprehensive information about the PCMA and the non-banking financial sectors it oversees. These sectors include securities, insurance, mortgage finance, financial leasing, digital financial services, and innovation.

The annual report contains chapters that describe the status of these sectors, focusing on the most important regulatory developments and supervisory activities carried out by the PCMA during the past year.

The report also discusses the measures and decisions taken in response to the COVID-19 pandemic, aimed at protecting participants in the non-banking financial sector. It covers sustainable development initiatives related to financial inclusion in Palestine, and the developments in corporate governance in Palestine. The report highlights the PCMA’s efforts in combating money laundering and terrorist financing.

Additionally, during the aforementioned year, the PCMA worked on implementing various awareness-raising activities related to improving the legal environment, enhancing the technical

capabilities of the PCMA, and increasing public awareness of the importance of the non-banking financial sector.

You can access the annual report for 2021 by clicking here.