The Capital Market Authority Concludes the Regional Insurance Technology Competition.

The Capital Market Authority has concluded the regional insurance technology competition and announced the winners in the two tracks of the competition. The winners were announced during a ceremony organized by the PCMA in collaboration with the German Cooperation for International Development (GIZ) and the Palestinian Insurance Federation. The competition included two tracks. The first track focused on new creative ideas in financial technology for insurance and was won by two teams from Tunisia and Cameroon, with a prize value of $5,000 for each. As for the second track, it was for established companies, and it was won by two companies from the United Kingdom and the United Arab Emirates, also receiving a prize of $5,000 each. The winning applications in the second track will be hosted by the companies “Al-Mashreq” and “Tamkeen.”

Dr. Nabil Kassis, the Chairman of the Board of the Capital Market Authority, emphasized that the competition during the year 2022 was part of the PCMA’s efforts to promote the use of financial technology, including insurance technology, in non-banking financial sectors. As part of the race to implement the PCMA’s five-year strategy 2021-2025, which has identified enhancing the use of financial technology and providing a conducive environment in non-banking financial sectors as one of its three main pillars.

He mentioned that the PCMA established the Directorate for Digital Financial Services and Innovation at the beginning of 2021, which developed a supervisory incubator platform called “Ebtaker” which is considered one of the pioneering supervisory incubators for the non-banking financial sector in the Arab region. This is aimed at facilitating the journey of entrepreneurs in innovation in the field of financial technology by enhancing and facilitating effective communication between the PCMA and innovative and entrepreneurial solution providers related to the non-banking financial sector.

He expanded that the platform “Ebtaker” has played a crucial role in providing early intervention, supervisory guidance, and support to innovators. It serves as an initial phase for innovators to prepare them for entry into the Regulatory Sandbox environment, which the Capital Market Authority plans to launch in 2023.

Since its inception approximately two years ago, the “Ebtaker” platform, as mentioned by Dr. Kassis, has welcomed a range of innovative ideas and solutions, particularly in the non-banking financial sector, with a specific focus on the insurance sector. Several of these ideas have been qualified and granted “no objection” letters to proceed with their operational phase and put their concepts into practical execution.

He added, due to the unique technical aspects and the challenges faced by the Palestinian insurance sector, which offer significant opportunities for innovative solutions based on insurance technology (Insurtech), the Capital Market Authority recognized the need to expand the scope of attracting more practical ideas and solutions in the field of insurance technology at both the regional and international levels. Consequently, they developed and launched a regional financial technology competition.

He added that the competition successfully attracted insurance technology companies from various regions, including European countries, Southeast Asian countries, the Middle East, and Africa. This diverse participation highlights the distinctive nature of this competition and the promising opportunities it presents for the Palestinian insurance sector. Furthermore, this competition is the first of its kind to target such a vital and essential sector as insurance.

The Chairman of the Palestinian Insurance Federation, Mohammed Al-Rimawi, stressed the importance of knowledge in the rapidly advancing field of technology, commending the Capital Market Authority for its initiatives to promote digital transformation. He further added that one of these platforms is the “Ebtaker” platform, which receives numerous ideas in the non-banking financial sector. Al-Rimawi emphasized the Federation’s commitment to participating in the competition’s judging committees, underscoring its significant importance for digital transformation.

He also mentioned the “strategic steps” taken by some Palestinian insurance companies towards digitization, which reduce costs and expedite procedures. These steps are seen as essential in expanding financial inclusion and enhancing access to insurance services through the advancement of financial technology in the sector.

Johannes Majewski, the Program Manager of the Alternative Finance for the Financial Inclusion Project for Small and Medium-sized Enterprises in Palestine (A-FIN), funded by the German Cooperation for International Development (GIZ), highlighted the economic progress achieved by countries in the region over the past decade. Despite this progress, insurance prevalence remains low, and there is limited awareness of the benefits of insurance. He emphasized that insurance technology creates opportunities to enhance financial inclusion whereas for example it can reduce premium sums through reducing operational cost, and it may also increase insurance literacy through digital channels and change consumer habits regarding how they interact with insurance companies.

The Capital Market Authority has Granted a No-Objection Letter for an Application in the Field of Insurance Technology.

The Capital Market Authority has granted, on Thursday, a no-objection letter for the application "Verify ID" by Jaffa Networks and Computer Systems (Jaffa.net Software), aiming to work in the Palestinian insurance sector in line with terms and conditions stipulated in the no-objection letter. This application is designed to assist insurance companies in verifying the identity of health insurance service recipients using technology-based applications.

Mr. Barraq Al-Nablusi, the General Director of the PCMA, emphasized that issuing the no-objection letter for the Verify ID application is part of the PCMA's efforts to promote financial technology in non-banking financial sectors, based on its strategy, through the services offered by the "Ebtaker" platform in providing the necessary environment, guidance, and regulatory supervision for innovators in the field of financial technology, including insurance technology.

By the same intimation, Dr. Yahya Al-Salqan, representing Jaffa.net Software, highlighted the significance of receiving the no-objection letter from the Capital Market Authority for the "Verify ID" application. This development is aims to enhance the company's operations in the insurance sector in Palestine, especially after the support provided by the PCMA to this sector to foster growth and integration with the information technology sector.

It is worth noting that the application focuses on combating fraud in private sector health insurance services provided by insurance companies with which it is contracted. It does so by verifying the identities of insured individuals who apply for healthcare services.

A Decision to Replace and Renew Members of the Board of Directors in the Capital Market Authority

The Council of Ministers, in its session held in the city of Ramallah on January 3 2023, approved the appointment by the Capital Market Authority to replace and renew the membership of its board of directors.

The decision named Mr. Rami Al-Takhman to represent the Palestine Monetary Authority, replacing the previous representative, effective December 22, 2022. It also renewed the membership of Mr. Jamal Al-Hurani, representing the Association of Banks in Palestine, effective December 29, 2022.

The Launch of the Financial Literacy Coalition in Palestine

The Capital Market Authority, on Saturday, announced the launch of the Financial Literacy Coalition in Palestine in the city of Jericho, with the participation of civil society institutions, media outlets, and academics from various Palestinian universities.

The Financial Literacy Coalition in Palestine aims to promote financial literacy within the non-banking financial sectors and raise awareness among Palestinian citizens regarding financial services.

The coalition includes the Capital Market Authority and representatives from the non-banking financial sector, civil society institutions, universities, journalists, and it has opened membership for all interested parties to join.

Kayed Meari, the Head of Public and International Relations at the PCMA, stated that this coalition works to unify the efforts of all partners to achieve effective financial awareness among Palestinian citizens in the non-banking financial sector. He also noted that the PCMA will lead this coalition with all partners to spread financial literacy in the local community through various interventions, including conducting studies and research, organizing seminars, lectures, and conferences, and developing the capacities of key players in this field.

Conclusion of the Fourth Financial Press Lab Workshop in Jericho

The Palestine Capital Market Authority concluded its Financial Press Lab Workshop in Jericho with the participation of 30 students majoring in journalism and economics from Palestinian universities.

The workshop focused on non-banking financial sectors and provided financial journalism skills over the course of two days. The workshop's opening ceremony was attended by Dr. Shaker Khalil, the Economic Affairs Advisor to the Prime Minister, Barraq Al-Nablusi, the General Director of the PCMA, and Mohammad Musleh, the Director of the Economic Development Program at the Italian Agency for Development Cooperation.

Al-Nablusi emphasized the PCMA's commitment to conducting financial awareness programs and enhancing the awareness of citizens about their rights and responsibilities in the non-banking financial sectors. This contributes to better improving the response of non-banking financial sectors to the needs of citizens and expanding financial services to achieve financial inclusion in line with the PCMA's five-year strategic plan.

In the same vein, Mohammad Musleh highlighted the importance of financial awareness programs as a key component of the Italian Agency's vision in partnership with various components of the Palestinian financial sector, both regulatory and private.

Dr. Khalil discussed the economic situation in Palestine and the efforts made by the government and various components of the Palestinian economy to overcome the challenges facing the Palestinian people, particularly young people. He emphasized the Palestinian government's commitment to empowering youth and university graduates to access the job market.

The workshop included seven training sessions covering the basics of financial journalism presented by journalist Mohammed Khbeisa, as well as a workshop on media and entrepreneurship led by Sa'ed Karazon. Additionally, a training workshop on social media was conducted by journalist Mahmoud Hreibat.

The workshop also included training sessions that provided a general introduction to the non-banking financial sector in Palestine, presented by Ayman Al-Sabbah, Director of the Insurance Directorate at the PCMA. There was also an informative session on the financial leasing sector provided by the Director of the Mortgage and Leasing Directorate at the PCMA. Furthermore, a session on the securities sector was delivered by Murad Jadbah, the Director of the Securities Directorate at the PCMA, and another session on financial technology (FinTech) and financial inclusion was conducted by Dr. Bashar Abu Zarour, the Director of Digital Financial Services and Innovation at the PCMA.

The Capital Market Authority is Preparing a Draft of Regulations Dealing with Foreign Stock Exchanges.

The Board of Directors of the Palestinian Capital Market Authority, in its session convened on 28/11/2022, adopted the draft of regulations dealing with foreign stock exchanges in accordance with the provisions of Article (3/2) of the Presidential Decree No. (17) of 2009 regarding dealing in foreign stock exchanges. This is in line with the provisions of the Securities Law No. (12) of 2004, the Capital Market Authority Law No. (13) of 2004, and the recommendation to the Palestinian Council of Ministers for ratification.

The General Director of the PCMA, Barraq Al-Nablusi, stated that the activity of trading in foreign global markets will be allowed to be conducted by licensed securities companies approved by the Capital Market Authority, subject to specific controls and regulations. This will occur after the ratification of the regulation by the Palestinian Council of Ministers. The regulation for dealing with foreign stock exchanges allows licensed companies to provide brokerage services for trading in foreign stock exchanges, including securities listed on foreign financial markets, as well as the trading of foreign currencies, precious metals, and more. This service is offered to individual and institutional investors and traders.

He emphasized that the PCMA's adoption of the regulation is in line with the implementation of its strategic plan for the years 2021-2025. It aims to regulate the non-official financial sector, protect participants from dealing with numerous unlicensed entities and individuals, measure the impact of this activity on financial inclusion indicators in Palestine, and enrich the Palestinian market with professional regional companies with strong financial capabilities and a good reputation. This is achieved by requiring companies to provide professional staff who work to raise awareness in the field of foreign stock market investments.

Al-Nablusi also stated that the PCMA has initiated the preparation of plans and procedures to ensure the enforcement of regulatory tools on entities operating in this sector and qualified individuals, as it is a sector characterized by high liquidity, high-frequency trading, and associated risks.

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.