



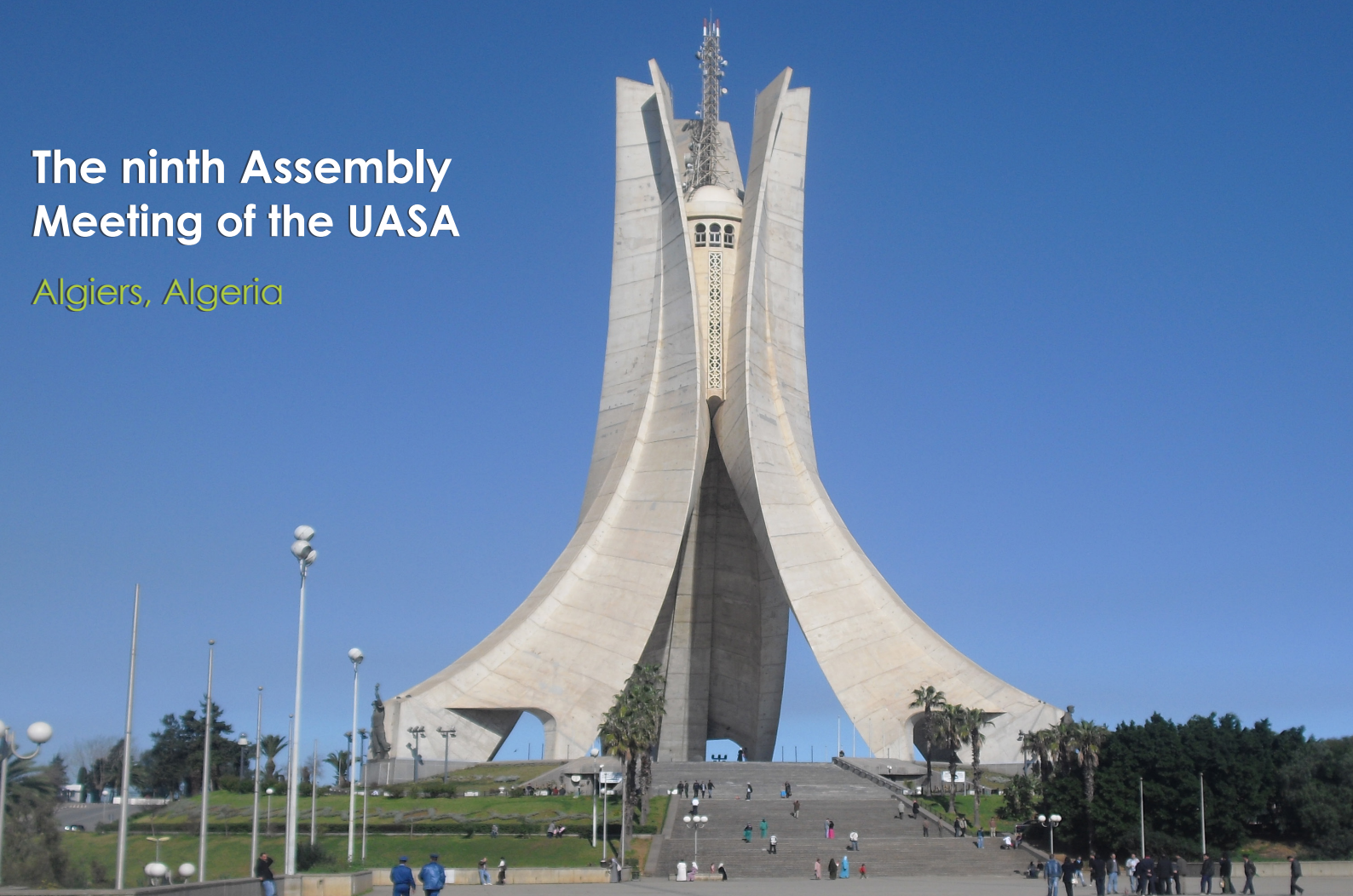
إتحاد هيئات الأوراق المالية العربية  
UNION OF ARAB SECURITIES AUTHORITIES

# UNION NEWS

Issue no. (8) Jan. - Feb. - Mar. 2015

## The ninth Assembly Meeting of the UASA

Algiers, Algeria



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**UASA - Active Members Directory**

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*Jalil Tarif*

## **The UASA 2020**

The UASA Board decided to move forward in developing a strategy for the next five-years (2016 – 2020) in order to draw a clear path to the Union and identify objectives to be reached by 2020. Such Strategic plan will determine the UASA situation after 5 years especially in the important issues such as cooperation, integration and harmony between the Arab capital markets, in addition to the role of the Union in supporting the joint Arab action and achieve the objectives of opening the Arab economies to investments, especially with regard to capital markets, including secondary and primary markets.

The preparation of a strategy will determine the UASA path, role and future orientations related to achieving the members aspirations regarding training and knowledge transfer as well as education, awareness, and any requirements of the Arab capital markets. The Strategy will consider many other important issues especially expanding the UASA membership base and preparing a financial plan reflecting possible alternatives to finance its future activities.

We look positively to the future of the Union, especially in light of the Arab, regional and international support, and its prime situation resulting from the joint work with relevant international institutions. The UASA responsibilities become bigger and require harder work to meet the Union and its members aspirations concerning cooperation and integration among the Arab capital markets and harmonizing their stances against the challenges.

# The 9<sup>th</sup> Annual Assembly Meeting of the UASA



HE Mr. Mohammad Djelleb, Algerian Finance Minister, inaugurated the ninth annual meeting of the Union of Arab Securities Authorities held in Algiers, Algeria on February 18th, 2015 with the participation of the members countries' representatives in addition to the Secretary General of the Arab Federation of Exchanges and the representative of Dubai Financial Services Authority.

The opening session started with the speeches of the COSOB president Mr. Abdelhakim Berrah, the UASA president and CDVM General Manager Mr. Hassan Boulaknadel, and The UASA's Secretary General Mr. Jalil Tarif. By the end of the opening session, The Morocco CDVM was honored for its role and efforts during its term of the Union's presidency which was transferred to the Algerian COSOB.

The UASA Secretary-General presented the annual report for 2014 containing the most important activities of the members in Markets regulation and oversight, and international cooperation, as well as education and awareness. The Secretary General discussed also the organization of the first Arab Capital Markets conference and the first consultative meeting of the Union members participants in



the "IOSCO" meetings, in addition to continuing the issuance of the UASA quarterly e-newsletter. The UASA organized also two training programs in Riyadh and Muscat and a seminar on the role of financial markets in developing the national economy of Mauritania in cooperation with the Central Bank of Mauritania. The Union took part also in several Arab and international activities and events. On the regional and international levels the UASA coordinated with the OECD in many subjects, including the preparation of a guide on "Related Party Transactions in the MENA Region".

the Tunisian Capital Market Authority joined as an active member, in addition to Beirut Stock Exchange and Kuwait Clearing Company which joined the UASA as associate member and the Arab Monetary Fund as an observer

The General Secretariat of the Union issued a study on "Transparency in Arab capital markets". The Secretariat has also prepared a report on the principles of the financial markets infrastructure "PFMI" issued by the "IOSCO" and the "CPSS".

Within the framework of the expansion of Union membership base, the Tunisian Capital Market Authority joined as an active member, in addition to Beirut Stock Exchange and Kuwait Clearing Company which joined the UASA as associate member and the Arab Monetary Fund as an observer.

## Transparency in Arab capital markets: Recommendations

The most important recommendations of the study on "Transparency in Arab capital markets" adopted by the UASA board are reviewing transparency legislative framework, and to grant sufficient surveillance powers to

Authorities, as well as increasing shareholders awareness and encouraging regulators and private companies to organize comprehensive training programs on corporate governance, disclosure and insider dealing, in addition to promoting the establishment of institutes specialized in training corporate managers.

**The UASA Board mandated the Secretariat General the FMI report completion, which discusses the PFMI and the importance of adhering to them due to their role in confronting different payment risks helping to provide a robust infrastructure for these markets.**

The study also stressed on the importance of imposing strict sanctions on violators in case of violation to the legislations in force, with an emphasis on the importance of creating a special administrative units for the supervision and control to ensure the application of these legislations. The study pointed out the importance of enforcing entities subject to the supervision of the Securities Authorities to develop their electronic infrastructure in order to keep pace with the technological development in this regard.

The UASA Board mandated the Secretariat General of the FMI report completion, which discusses the PFMI and the importance of adhering to them due to their role in confronting different payment risks helping to provide a robust infrastructure for these markets. The completion of UASA's Members Costs, Revenue and Transactions Costs report is also to be completed by the Secretariat. The report reviews the different types of revenues and expenses, and their relative importance in addition to the costs of trading in securities and provides information about the fees and commissions rates charged by the members. Furthermore, the Board assigned to the General Secretariat the completion of the study about Islamic Financing Instruments In Arab Capital Markets intended to understand the legislative and regulatory framework, and practices adopted by the Arab Securities Authorities and other relevant authorities on the subject of Islamic financing, especially the challenges and prospects of Islamic financial markets. The study also aims at identifying the situation and recent developments in the Arab capital markets of the Union of Arab Securities Authorities members in the field of endogenous capacity-building to contribute in raising and developing Islamic financial markets.

#### 2015 Action Plan:

The UASA Board adopted the work plan provided by the Secretariat for the year 2015 after taking the board comments into consideration, especially with regards to a number of training programs and specialized workshops that falls under the Arab capital markets interest, where these programs will be held in cooperation with

Arab and International organizations in addition to the UASA members. The work plan focused on activating cooperation on regional and international levels with various parties such as the IIOSCO, and the OECD, the League of Arab States, and the Arab Monetary Fund. The work plan stated a series of studies and reports to be prepared during the year 2015 and of interest to UASA members including the completion of studies and reports on the Islamic finance in Arab Capital Markets, the application of the IOSCO principles related to financial markets infrastructure, and transactions costs in Arab capital markets as well as a study on the relationship between regulators and entities subject to their control. The action plan included also the contribution in preparing the UASA strategic plan.

#### Upcoming meetings of the UASA:

Finally, The UASA Board decided as per the provisions of the UASA by-laws to hold the 10th annual meeting of the board in Egypt, where the Egyptian Financial Supervisory Authority (EFSA) welcomed hosting the meeting on 17.02.2016. The Board also decided to hold the second consultative meeting of the UASA in conjunction with the IOSCO meetings, which will be held in London, where the Capital Markets Authority of the Sultanate of Oman will host the meeting. Moreover, the Board also decided to hold the Second Arab Capital Markets conference in Doha where Qatar Financial markets Authority expressed its readiness to host the conference, which will be scheduled later.

#### Seminar on financial products:

On the sidelines of the meeting, the COSOB held a seminar on "financial products" with the participation of the UASA delegations presenting in the meeting. The seminar moderated by Jalil Tarif, Secretary General of the Union of Arab Securities Authorities. The seminar discussed the assessment of the Algerian economy and its prospects, the Algerian financial market and the development of the bond market. In addition, the seminar discussed Islamic financing instruments development in Europe, and the openness of the emerging financial markets to non-resident investors.



## Participation in the AMERC meetings



The Secretary General of the UASA participated in the annual meetings of the AMERC committee held in Muscat on 24/2/2015, and reviewed the most important achievements of the Union during 2014, in addition to the plans and programs of the Union for 2015. He also stressed on the UASA's growing role on different local, regional and international levels. During this meeting, a new president of the AMERC was elected and many issues were discussed, including the adoption of the Arabic language as an official language for the IOSCO. The AMERC representatives agreed to raise this issue at the next IOSCO's annual meeting in London.

### Participation in the future cities Forum

The UASA Secretary General met Mr. Michael Bloomberg, founder of Bloomberg and the Special Envoy of the UN for cities and climate change, on the sidelines of the "Future Cities Forum" which was held in Dubai in the presence of Minister of State and Managing Director of the higher Commission of preparation for Expo 2020, and with the participation of a large number of professionals from the financial sector. During the meeting, aspects of future cooperation between the Union and the Bloomberg Global Foundation were discussed.



### Participation in meetings of the AMF Working Group on Financial Stability in the Arab Countries

The UASA represented by the Secretary General participated in the Working Group on Financial Stability in the Arab Countries meetings held in Abu Dhabi on 03.11.2015, where the Secretariat participated as an observer. During the meetings many topics were discussed, notably the adoption of a reference to the group's work conditions and a work plan for 2015, in addition to preparing reports on financial stability issues. During the meetings, some Arab countries presented their efforts in terms of financial stability and the main challenges in this regard, and ways to improve policies and applied tools.

### Participation in the Middle East Securities Forum

The Secretary General of the UASA Mr. Jalil Tarif participated in the Middle East Securities Forum held in Abu Dhabi on 11 and 12 / 03 /2015, with the presence and participation of more than 150 experts and specialists in the field of financial markets from various local and international institutions. During the dedicated session on role of oversight of authorities in the region, a summary of the Arab Securities Authorities efforts in the development of the Arab capital markets were discussed, particularly with regard to the application of the best international standards and principles, as well as the UASA efforts to enhance cooperation and coordination among its members.

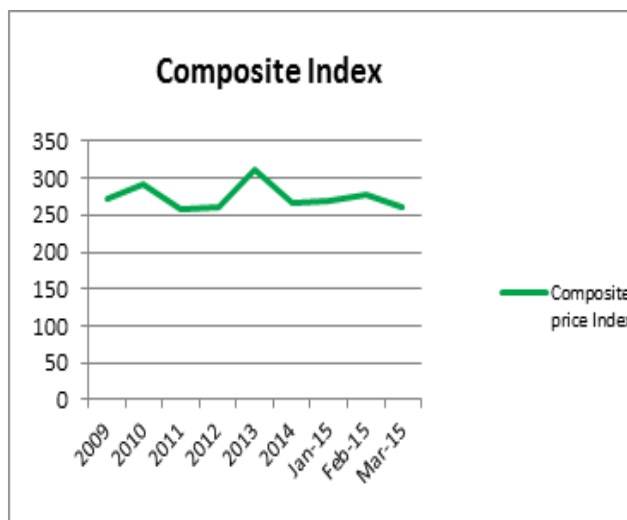
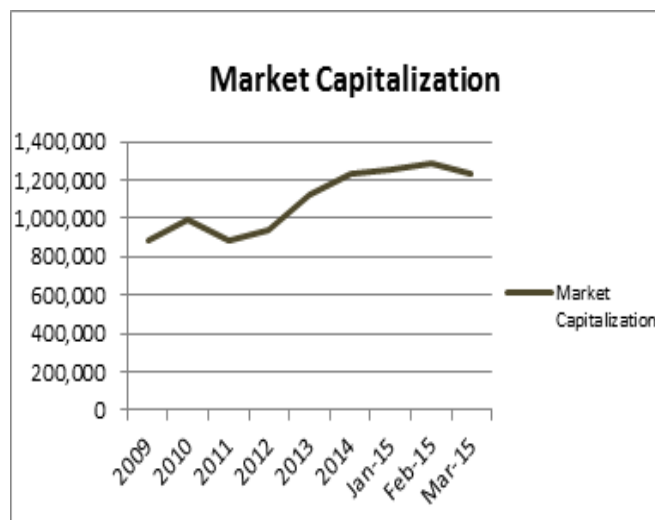
### Participation in Moody's 10th Annual GCC Credit Risk Conference

The Secretary General of the UASA participated in Moody's 10th Annual GCC Credit Risk Conference held in Dubai on 10/03/2015, with the participation of many experts and specialists in financial markets from various local and international institutions.

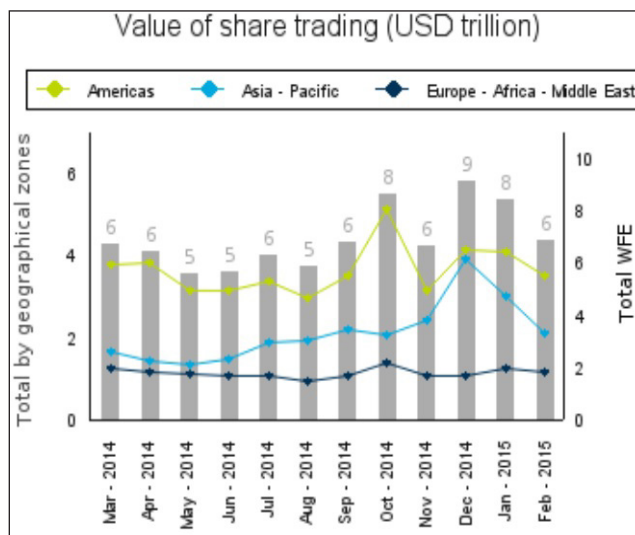
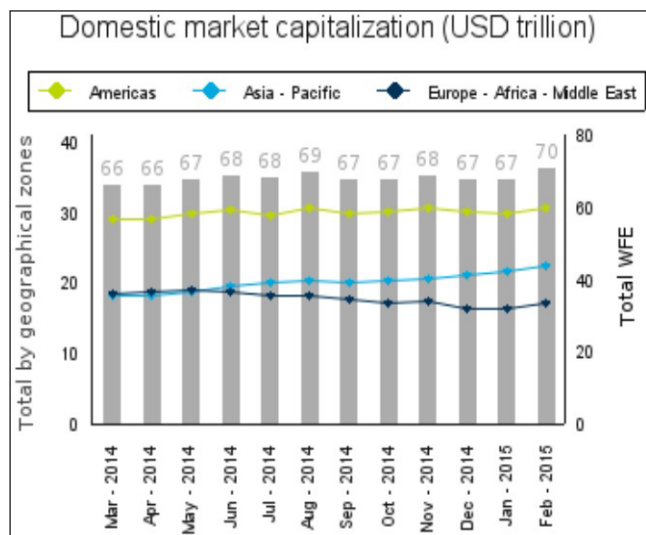
## Summary of Arab Stock Markets Performance

		Market Capitalization (U.S. Million)	Value Traded (U.S. Million)	Composite Price Index
2009		887,087	567,872	196.3
2010		991,533	348,944	240.04
2011		884,490	379,897	213.36
2012		941,412	586,387	219.63
2013		1,120,247	483,364	310.77
2014		1,231,538	800,891	265.78
2015	Jan.	966,951	39,733	268.74
	Feb.	966,901	40,724	264.27
	Mar.	1,001,016	46,386	277.51

Source : <http://www.amf.org.ae/>



## Summary of the World Stock Exchanges Performance



Source : <http://www.world-exchanges.org/>

## Market Regulation



*Jordan Securities Commission - JSC*

### JSC issues a new amendment to trading instructions

Jordan Securities Commission approved a new amendment on trading instructions, where the new amendment allowed brokerage firms operating in the stock market to accept the sale and purchase orders on behalf of the custodians clients based on the authorizations issued by a foreign intermediary or from a local investment or foreign manager, provided that the foreign broker is licensed to practice brokerage in non-Jordanian market and that there is a dealing agreement in securities between the local and the foreign broker or investment manager agreement.



*UAE - Securities and Commodities Authority - SCA*

### SCA Board issued a decision on clearing in the commodities market

The SCA Board of Directors issued a clearing bylaw for commodities to meet the requirements of "European Market Infrastructure Regulation" known as "EMIR" issued by the European Commission, to enable foreign institutions to work in the UAE. As for those who are exercising clearing activities before the issuance of this decision, they should comply with the provisions of this bylaw by 31.12.2015.



*Tunisia - Conseil du Marché Financier - CMF*

### CMF issues new legislations and resolutions

CMF Board approved the formalities related to the Central Depository and indicating its functions, in addition to the rules of participation, involvement, access and the applicable rules to the involved participants. The Board also issued a general resolution related to the documents to be directed to the High Authority of Investment.



*KSA - Capital Market Authority - CMA*

### CMA identifies additional disclosure requirements for companies with accumulated losses

The Capital Market Authority (CMA) pointed out the additional disclosure requirements that must be met by the companies with accumulated losses (whose accumulated losses have reached 50% or more of its capital and up to the losses reaching to 100% of its capital). The requirements are aimed to enable the investors and traders to follow the status of the company and its mechanism on a regular basis and inform them of the expected dangers.

CMA ensures that the companies with accumulated losses who are applicable to those procedures should also comply with all the rules and regulations mentioned on the Capital Market Law and its related implementing regulations. The companies should comply to issue their quarterly and annual financial statements in the specified time on the related regulations.



*Egyptian Financial Supervisory Authority- EFSA*

### EFSA issues rules for Egyptians transferring foreign securities listed in Egypt

EFSA issued rules for Egyptians transferring foreign securities listed in Egypt to foreign stock exchange, through Misr for Clearing and Central Depository, where the transfer of securities is done through Misr for Clearing, and these securities remain in the company's account with a clearing international depository or a custodian. After the sale, according to the owner instructions, the settlement is done to Misr for Clearing account, then the securities proceeds will be transferred to the account of an Egyptian Clearing Company, which in turn transfers the proceeds to the client's account.



**Jordan Securities Commission - JSC**

### Code to inspect financial services companies

The JSC Board of Commissioners approved a guidance code for the inspection of financial services companies. This code is an integrated and transparent framework to inspect the financial services companies in line with international standards emerge from the legislation governing the capital market. It also shows main purpose of the inspections conducted by the Commission on financial services companies, the basis of sample selection, and inspection aspects covered by the inspection process.



**UAE - Securities and Commodities Authority - SCA**

### Postponing the implementation of the new mechanism for the distribution of profits to shareholders

The SCA Board of Directors decided to postpone the implementation of the new profit distribution mechanism and to grant public shareholding companies additional time expires at the end of this year. Many public shareholding companies requested from SCA to postpone the implementation of the decision to compel listed companies to transfer cash profits to the bank account of the market, which was scheduled to be effective from beginning of March 2015 due to the fact that some of these companies have prior commitments with the current registrar for the distribution of profits, as well as the lack of complete investor database in the markets.

### SCA issues measures for newly-incorporated public joint-stock companies

The Securities and Commodities Authority's (SCA) board of directors approved measures to offering and listing the shares of newly-incorporated public joint-stock companies, SCA published the measures on its website: [www.sca.gov.ae](http://www.sca.gov.ae).

### Launch of electronic services for investment funds devision

Securities and Commodities Authority announced the launch of private e-Services Investment Funds Devision, through its website, where the customers browse the web portal of the Authority to submit applications for approval to establishment and cancellation of a local investment funds, in addition to approving and cancelling the promotion of foreign investment funds applications within the UAE.

### Action plan to upgrade to advanced markets

SCA Board of Directors discussed a presentation addresses the steps to be followed and the requirements of the UAE to upgrade the markets to developed markets category, in the presence of specialized experts from several international institutions. The presentation included the required time periods for the implementation of the future plan. It also identified the steps required from both the commission and the markets during this period, which includes the provision of new investment products that meet the investors needs on a par with those in developed markets, including pooled accounts, provide an opportunity for new services such as underwriter, and provider of administrative services to the funds.



**Tunisia - Conseil du Marché Financier - CMF**

### Reminder to public shareholding companies, brokers and portfolios management companies

CMF invited public shareholding companies to abide to the financial market reorganization law and its provisions related to the annual disclosure. Brokers have to provide financial statements and auditor reports no later than three months from the end of the financial year. CMF requested that portfolios management companies provides their approved annual financial statements and annual report as well as the public and private reports of the auditor to the Capital Market Authority no later than three months from the end of the financial year.

## Market Oversight

### KSA - Capital Market Authority - CMA

#### Announcement regarding companies applying to increase their capital through rights issue offering

The Capital Market Authority announced the list of companies which applied for a capital increase through the rights issue offering, and invited these companies to comply with relevant steps and legal procedures.

### Palestine Capital Market Authority - PCMA

#### CMA concludes the pilot phase of corporate governance scorecard model

Palestinian Capital Market Authority announced that it will conclude the pilot phase of the Corporate Governance Scorecard model implementation, which has recently been developed in collaboration with the International Finance Corporation (IFC) and enter into the pilot implementation during 2014, aiming at measuring the extent of the commitment of public shareholding companies to the principles of corporate governance according to the latest international practices and standards in this area.

### Kuwait - Capital Markets Authority - CMA

#### Rules of promotional and marketing ads for investment funds

Capital Markets Authority invited investment fund managers to comply with the rules and instructions governing promotional and marketing advertising of investment funds, which included a specification and conditions that must be provided in the advertisements. The CMA also emphasized on not using any prohibited data or information in these ads.

#### Announcement: The Due Date of the Listed Companies' Quarterly Reports

the CMA reminds all the shareholding companies of the importance of abiding by the provisions of Article (4) – clause Tenth – CMA urges all listed companies subject to those regulations, to abide by their provisions and submit the mentioned report to the CMA within a maximum of ten business days from the end of the last quarter of the current year. Non-compliance with those regulations shall expose the violator to punitive accountability pursuant to Law No. (7) of 2010, and its Executive Bylaw.

### Egyptian Financial Supervisory Authority- EFSA

#### EFSA grants license for the first five NGOs with a total microfinance portfolio amounted to a quarter of a billion pounds

Based on the rules and regulations governing Microfinance Companies issued recently, EFSA granted licenses for the first five NGOs to practice Microfinance, the total microfinance portfolio amounted to a quarter of a billion pounds.

Financial Services Institute (FSI ) will hold numbers of workshops in in order to explain the concepts and rules of practicing microfinance and how to present Microfinance financial statements and considerations set for offering finance and protecting dealers' rights.

#### The Number of NGOs licensed to Practice Microfinance Increased to 15

EFSA granted ten new licenses for NGOs to practice microfinance. The total amount of microfinance portfolio offered by the NGOs is about half a billion pounds. Thus, the number of NGOs that have been licensed since the promulgation of the law becomes 15 in addition to one company.



**Jordan Securities Commission - JSC**

## “Sukuk Opportunities” workshop in Jordan

Jordan Securities Commission organized a workshop held by the Commission in collaboration with the “Towers and Hamlines” entitled “Sukuk opportunities and potential in Jordan”, where a number of foreign specialists in this area were present. This workshop aims to enrich the practical application for the issuance of Sukuk and handling of all the technical and shariah aspects.



**UAE - Securities and Commodities Authority - SCA**

## Continuous Professional Education Program

The SCA Board of Directors approved the continuous professional education program project submitted by “SCA Training Center”. The proposed program will be for the benefits of the financial services professionals as well as investors. The project has a dedicated regulatory framework, target group, program which is divided into three parts of 30 hours, and the proposed implementation of the program and procedures.

## SCA TC participates in career fairs

The Securities and Commodities Authority Training Center (SCA TC) participated in a number of activities and events that aim at acquainting financial market participants as well as stakeholders with the SCA services, training courses, and examination dates. In this context, the SCA TC participated in the American University of Sharjah (AUS) Career Fair. The SCA TC also shared with the Chartered Institute for Securities and Investment (CISI) a joint pavilion in an exhibition arranged at the American University in Dubai (AUD). In a related context SCA received a delegation from the Muscat Securities Market (MSM) who reviewed the SCA experience in professional qualification in the area of securities industry, the other training centers with which the SCA TC collaborates to provide training programs, and the other activities and services offered.



**Algeria - Commission d'Organisation et de Surveillance des Opérations de Bourse - COSOB**

## “COSOB” launches its new Website

The COSOB announced the launch of its new website in both Arabic and French languages. The website includes all information related to the COSOB, including legal and regulatory information, a large part of the website is devoted for the dissemination of financial literacy and concepts related to the financial markets. This website represents also a tool for communication with investors and issuers and all interested parties. The new interactive website is user friendly, and based on an advanced technology in order to facilitate access to the required information efficiently.



## The COSOB organizes a Seminar on financial products

On the sidelines of the ninth annual meeting of the Union of Arab Securities Authorities which was held in Algiers on February 18, 2015, the COSOB held a seminar on “financial products” with the participation of the delegations present in the meeting moderated by Jalil Tarif, Secretary General of the Union of Arab Securities Authorities. The seminar discussed the assessment of the Algerian economy and its prospects, the Algerian financial market and the development of the bond market. In addition, the seminar discussed Islamic financing instruments development in Europe, and the openness of the emerging financial markets to non-resident investors. Three speakers participated in this seminar: Mr. Yassin Bouharah, partner and founder of Tel company, Alain Pithon, Secretary-General of Paris Europlace, and Adrian JOSSA, the Executive Director of Goldman Sachs.

## Education and Awareness

### Iraq - Iraqi Securities Commission

#### 2014 ISX annual trading report

The Iraqi Securities Commission issued the trading annual report of ISX 2014. The report presents comprehensive information on value traded and market capitalization in the Arab Stock Markets. The report provides a complete study about the ISX performance as trading volume, traded shares and number of transactions as well as comparing these performances with 2013 achievements.

#### A workshop on The development of the Iraqi economy

ISC participated in workshop held by Iraqi Stock Exchange and entitled "The development of the Iraqi economy and stimulate the private sector starts from investing in the shares of public shareholding companies". The workshop many issues and the most prominent was the fluctuations in the price that the shares have witnessed in the local stock exchange and its causes.

### Oman - Capital Markets Authority - CMA

#### Workshop on the expected role of the private sector

The Capital Market Authority organized a workshop on the "Expected Role of the Private Sector" at Sultan Qaboos University. The workshop discussed the mechanisms that can enable the private sector to assume its real role in the national economy, the dimensions of such role, stressing the importance of capacity building, encouraging innovations and supporting initiatives in addition to other aspects which motivate private sector institutions to enhance their contribution to the national economy.

#### CMA organize a lecture on the legislative infrastructure

The Capital Market Authority and Muscat Securities Market organized a workshop for the student of the Higher Institute of the Judiciary with the participation of 28 students to acquaint them with the laws and regulations of the capital market and insurance sector, and to familiarize with the regulatory and supervisory structure of the CMA. Four working papers were presented in the workshop by professionals in the capital market and insurance laws.

#### CMA Organizes a Workshop on the importance of Compliance with Disclosure Provisions

The capital Market Authority organized a workshop on the importance of compliance with the disclosure provisions in the capital markets. CMA endeavors to increase the awareness of compliance officers of issuers of securities on the importance of disclosure and transparency in addition to acquainting them with the developments in finance and business world as well as the changes in the modern technologies. The main topics of the workshop are the importance of disclosure in enhancing the efficiency of the securities markets, the responsibilities of issuers of securities, requirements of disclosure of financial statements and material information, disclosure mechanisms on the web site of MSM.

#### CMA Oman hosts a conference in collaboration with IOSCO

CMA held, in collaboration with the "IOSCO", a conference under the theme "Promoting sound regulation through understanding the balance between its costs and benefits". The conference was organized on the sidelines of the AMERC meetings on 25.02.2015 and under the patronage of the CMA's President and the presence of the IOSCO Secretary General, the CMA CEO and the UASA Secretary General in addition to MSM Director and a number of officials.

The conference discussed many issues concerning financial markets, particularly subjects related to balancing costs and expected benefits of regulations, as well as initiatives related to capital markets in the region.



## Education and Awareness

### *Palestine Capital Market Authority - PCMA*

#### **CMA signs cooperation agreements to integrate the course of corporate governance**

The Palestinian Capital Market Authority and the University of Palestine - Khadduri and the International Finance Corporation (IFC) signed a cooperation agreement aims to integrate the course of corporate governance in the teaching plan for the College of Business and Economics at the University. The CMA also signed with the College of Palestine civil University and IFC another tripartite cooperation agreement aims to integrate the course of corporate governance in the teaching plan of the Department of Management and Banking in college.



These agreements will ensure dedicated courses to corporate governance. These courses will be based on international experiences of the IFC, which will provide educational materials and tools, as well as training teachers. In addition to awarding successful students IFC certificates.

### *Kuwait - Capital Markets Authority - CMA*

#### **The Capital Markets Authority concludes its Awareness Program of the first quarter of 2015**

The Capital Markets Authority (CMA) concluded its awareness program for the first quarter of 2015, which includes 10 awareness workshops tackling different issues related to the securities' activities such as corporate governance, disclosure, arbitration, oversight and audit, as well as collective investment, merger and acquisition systems.

#### **Awareness Workshop Regarding the "MoU on Coordinating the Cooperation between the Ministry of Commerce and Industry and the CMA"**

The Capital Markets Authority held a workshop regarding the Memorandum of Understanding (MOU) on coordinating the cooperation and collaboration between the Ministry of Commerce and Industry and the Capital Markets Authority (CMA) in order to minimize the overlap in functions, as well as the document cycle. This workshop tackled different aspects of the MOU and defined functions.

#### **Lecture Organized by the Capital Markets Authority at Gulf University for Science and Technology**

The Capital Markets Authority (CMA) organized an awareness lecture at Gulf University for Science and Technology, the lecture was entitled "CMA & Securities' Activities Regulation" and discussed the common terms used in the capital markets, the trading mechanism and the investment instruments used in the securities' activities in Kuwait. As well as the securities' activity regulation after the issuance of the CMA Law No. (7) of 2010, and the mechanism of the CMA's work to achieve its strategic approaches at all regulatory, legislative, and awareness levels.

#### **Awareness publications of the CMA**

The Capital Markets Authority held a workshop regarding the Memorandum of Understanding (MOU) on coordinating the cooperation and collaboration between the Ministry of Commerce and Industry and the Capital Markets Authority (CMA) in order to minimize the overlap in functions, as well as the document cycle. This workshop tackled different aspects of the MOU and defined functions.

## Education and Awareness

 **Egyptian Financial Supervisory Authority- EFSA**

### The Egyptian Institute of Directors (EIoD) Finalized Intake #1 of "Corporate Governance & Quality Workshop for External Auditors"

The Egyptian Institute of Directors (EIoD) finalized intake #1 of "Corporate Governance & Quality Workshop for External Auditors". All through the two days, the course focused on corporate governance and the important role played by auditors as being an active partner in verifying its application. Also, it presented the establishment of the Quality Assurance and Control globally and means of regulating the profession in Egypt.

### A seminar on the Role of Auditors in Corporate Governance

EFSA organized a seminar entitled "The Role of Auditors in Corporate Governance" in cooperation with the Egyptian Society of Accountants & Auditors. The seminar introduced the definition of corporate governance and the institutions that shall abide by corporate governance rules as well as auditor's report on corporate governance. A session was dedicated to review the instructions of the Central Bank regarding banks' corporate governance and models of governance.

## International Cooperation

 **UAE - Securities and Commodities Authority - SCA**

### SCA signs MOU with DMCC

The Securities and Commodities Authority (SCA) signed an MOU with the Dubai Multi Commodities Center (DMCC) aimed at increasing mutual collaboration, attracting foreign investments, and promoting investor protection to serve the UAE national economy.

The signed MOU provides for mutual collaboration in training and consultancy to identify areas of training and technical assistance aimed at supporting the national economy. It also provides for the identification of the scope of collaboration and technical assistance in the applicable rules and regulations in the field of securities, commodities, futures, options, and other market products, in addition to the provisions relevant to Islamic banking, preventing and detecting market frauds and manipulations, and other irregular practices and violations.

 **Tunisia - Conseil du Marché Financier - CMF**

### CMF participates in the market crimes forum

Tunisian CMF participated in the market crimes forum organized by the Mediterranean Securities Authorities Association on 03/04 March 2015 in Madrid. The Forum discussed the European legislative framework regulating market crimes, the revisionism actions related to market crimes, in addition to the initiatives of the North African members in this regard.

 **Algeria - Commission d'Organisation et de Surveillance des Opérations de Bourse - COSOB**

### COSOB hosts the Ninth Annual Assembly Meeting of the UASA

The COSOB hosted the ninth annual assembly meeting of the UASA's Board on Wednesday 18th of February 2015. During the meeting, the Board discussed the annual report of 2014 and the suggested work plan for 2015 in addition to a number of other issues related to Arab Capital Markets, especially with regards to enhancing cooperation and coordination among them. The UASA's financial statements was also reviewed during the meeting along with the appointment of the external auditor whom will take charge of UASA's accounts for the year 2015. It is worth mentioning that the eighth annual assembly meeting of the UASA was held in Morocco on the 8th of May 2014, CDVM chaired the presidency of the Union at its eighth session where the COSOB chairs the presidency of the Union's ninth session.

## International Cooperation

 **Oman - Capital Markets Authority - CMA**

### The 34th meeting of the AMERC in Muscat



Hosted by the Capital Markets Authority of Oman, the IOSCO commission for Africa and the Middle East AMERC held its 34<sup>th</sup> meeting in Muscat with the presence of the Commission members and the USA members in addition to the Union Secretary General. During this meeting, a new president of the AMERC was elected and many issues were discussed, including the adoption of the Arabic language as an official language for the IOSCO and it was agreed to raise this issue at the next IOSCO's annual meeting in London.

 **Kuwait - Capital Markets Authority - CMA**

### The Capital Markets Authority Receives the Lord of the City of London

CMA received a delegation headed by Mr. Alderman Alan Yarrow – Lord Mayor of the City of London. This visit is part of a tour to a number of financial institutions in the State of Kuwait.

The two parties discussed the various ways of mutual collaboration between the CMA and UK, especially in the fields of training and qualifications.

This meeting witnessed signing a memorandum of understanding (MoU) between the CMA and the Chartered Institute for Securities and Investment (CISI) to promote the qualifications' framework of the Kuwaiti market.



## Enforcement Actions

 **KSA - Capital Market Authority - CMA**

### Assignment of a specialized team to review the financial statements of a listed company

The CMA's Board of Commissioners assigned a specialized team to review a listed company's financial statements and all other related documents, conduct site visits, hear all concerned parties' statements and obtain copies of documents that the team deems necessary, in order to complete the required legal procedures and to verify whether there are any violations to the Capital Market Law and its implementing regulations.

### CMA issued decisions condemning violators of the Capital Market and its implementing regulations

CMA announced a final decision by The Appeal Committee for the Resolution of Securities Conflicts (ACRSC) regarding the lawsuits filed by the Capital Market Authority (CMA) against some persons for practicing securities business without license, as they are providing, through websites, advice and recommendations on listed companies shares in return for sums of money deposited in their bank accounts. The imposed fines were between (20,000) twenty thousand riyals and (40,000) Forty thousand riyals.

## Enforcement Actions

### Iraq - Iraqi Securities Commission

#### Suspend trading a number of companies for non-submission of financial statements

Based on the instructions No. (14) for the year 2011, Iraqi Securities Commission decided to suspend trading of (4) companies for non-submission of financial statements of the third quarter in 2014.

### Kuwait - Capital Markets Authority - CMA

#### CMA issues a decision for licensed companies and investment funds that adjusted their positions

The Capital Markets Authority issued licenses for a number of companies and investment funds that adjusted their positions for a period of three years, subject to renewal. The CMA granted three companies preliminary approval of six months, subject to renewal in order to meet the specific criteria or to complete the necessary legal procedures. In addition CMA decided to cancel the license for investment observer to another company activity and erasure of its records due to non-completion of licensing requirements.

## Other News

### KSA - Capital Market Authority - CMA

#### Saudi Arabia Appoints New Chairman of CMA

Custodian of the Two Holy Mosques King Salman has appointed H.E. Mohammad Bin Abdullah Al Jadaan as the new chairman of the Capital Market Authority (CMA) at the rank of minister.



### UAE - Securities and Commodities Authority - SCA

#### SCA won the Emirates Award for Human Resources

SCA won UAE award for human resources in the federal government (in its first session) in addition to the award, "general level" and the award for the category of "the service" and the award for the category of "Promising Executive."

#### SCA smart services win Best Smart Applications Award in categories of Overall Level of Performance and Official and Government entities



The Securities and Commodities Authority (SCA) received Best Smart Applications Award in the two categories of Overall Level of Performance (Diamond Award) and Official and Government Entities at the UAE level at the Smart Government Award competition held in Kuwait.

The SCA smart services provide true opportunities for clients as they can interact fully with all of the smart services and solutions provided by us and complete procedures and transactions via the 16 smart services. And the rate of provision of electronic services reached 100% of licensing transactions.

## International Organization of Securities Commissions - IOSCO

### IOSCO Issues Final Code of Conduct Fundamentals for Credit Rating Agencies

The International Organization of Securities Commissions (IOSCO) published the final report on "Code of Conduct Fundamentals for Credit Rating Agencies", which includes significant revisions and updates to the current IOSCO Code of Conduct for Credit Rating Agencies (IOSCO CRA Code).



The revisions to the IOSCO CRA Code are designed:

1. to strengthen the IOSCO CRA Code by enhancing provisions regarding protecting the integrity of the credit rating process, managing conflicts of interest, providing transparency, and safeguarding non-public information;
2. to strengthen the IOSCO CRA Code by adding measures regarding governance, training, and risk management; and
3. to improve the clarity of the IOSCO CRA Code by adding definitions of key terms and revising existing definitions, updating terminology, restructuring existing provisions to better group them thematically, and eliminating extraneous text.

## World Federation of Exchanges - WFE



### The WFE Appoints Nandini Sukumar as New Chief Executive Officer

The World Federation of Exchanges (WFE), the global trade association of regulated exchanges, announced the appointment of Nandini Sukumar to the position of Chief Executive Officer on the 11th March 2015. Ms Sukumar has been Acting CEO of the WFE since November last year. WFE's 64 member exchanges are home to more than 44,000 listed companies



## Arab Monetary Fund - AMF



### AMF and Dubai Economic Council sign an MOU to enhance Strategic Cooperation



The Arab Monetary Fund (AMF) and the Dubai Economic Council (DEC) signed an MOU aiming at enhancing the strategic cooperation between both parties and to lay down the foundation of strategic cooperation between the two institutions in various fields: research, advice, financial and monetary data exchange at the micro and macro levels, mutual capacity development, exchange of experiences, in addition to providing technical advice to decision makers through the publication of joint economic reports.

**Bourse De Tunis**



**Mr. Bilel Sahnoun Appointed as GM of Tunis Stock Exchange**

The Tunis Stock Exchange announces that Mr. Bilel SAHNOUN, the newly appointed General Manager, took office on February 24th, 2015. He took over from Mr. Mohamed BICHIOU who becomes the General Manager of Al Karama Holding.



**Abu Dhabi Securities Exchange**

**ADX & NBAD Launch Market Making Activity**



Abu Dhabi Securities Exchange launched the Market Making Activity and the National Bank of Abu Dhabi (NBAD) started operating in the exchange as the UAE's first market maker. NBAD will be the market maker for 4 companies listed on ADX.

In 2012, the Emirates Securities and Commodities Authority (SCA) approved market making activity and issued the first license for practicing of Market-Making activity to NBAD in April 2014.

**Dubai Financial Market (DFM)**

**DFM holds International Investor Roadshow in London**



Dubai Financial Market will organize its International Investor Roadshow on 21 - 22 of April 2015 in London in collaboration with Goldman Sachs International. With the participation of a high-level delegation of 40 CEOs, CFOs and investor relations managers will have the opportunity to update international institutional investors on the recent successes and prospects of their respective companies, in addition to senior representatives from 20 companies listed on DFM and NASDAQ Dubai, as part of DFM's efforts to allow listed companies to showcase their growth and strategy.

**TADAWUL**

**Saudi Stock Exchange issues 2014 Annual Statistical Report**



Saudi Stock Exchange (Tadawul) issued its Annual Statistical Report for 2014, the report showed that the total Market Capitalization at the end of the year 2014 reached US\$ 483.44 billion an increase by 3.42% compared to the end of the previous year. The total Value of Shares Traded for the year 2014 reached US\$ 572.41 billion compared to US\$ 365.25 billion for the previous year, an increase by 56.72%.

**Amman Stock Exchange**

**ASE becomes Anonymous Market**



ASE became Anonymous Market starting from March 15th, 2015. ASE will not reveal the identity of the brokers on the bid or ask sides, thus ensuring fairness between all parties and that investors are executing transactions according to right investment bases without the speculation of the market or impacting the market prices.

**Qatar Exchange**

**QSE Conducts Business Continuity Plan Test, and to host WFE meeting in October 2015**

Qatar Stock Exchange held an exercise to test the efficiency of its Business Continuity Plan (BCP) in adverse conditions. The bourse, brokers and business partners participated in the BCP test as part of QSE's routine procedures. The test ensured QSE trading session continued uninterrupted in the event of a major disaster striking its primary data centre. During the simulated outage, QSE moved all critical information technology operations to the secondary Disaster Recovery (DR) site.



Also Qatar Stock Exchange (QSE) will host the 55th general assembly and annual meeting of the World Federation of Exchanges (WFE) from October 19 to 21 this year. The 2015 meetings will include the WFE working committee meeting, board of directors meeting, general assembly and the annual meeting during which several important issues will be discussed.



### Third Capital Markets Forum

Muscat Securities Market (MSM) organized the third annual Capital Markets, the topic for this year's forum is "empowering private businesses towards long-term sustainability". The Forum discussed enabling private companies to achieve sustainability in order to ensure their contribution to the national economy by focusing on best strategies and plans adopted internationally and offered local and international experiences for the transformation of private and family businesses to public joint stock companies.



سوق مسقط للأوراق المالية  
Muscat Securities Market



### Bahrain Bourse Affiliate Member of the IOSCO

Bahrain Bourse (BHB) announced that the International Organization of Securities Commission (IOSCO) Board of Directors approved the Bourse's application to become an affiliate member of the IOSCO as of March 2015.



### DSE participates in Economic Days2 program

DSE participated in the Economic Days 2 program organized by "SANAD" development team, during the program, DSE organized lectures about market and the mechanisms of trading and investments in order to familiarize the trainees with DSE's laws and regulations and to increase investment awareness in Syria.



### EGX started ETFs trading

EGX started trading on exchange traded funds (ETFs) related to EGX30 for the first time. These funds allow investors to cover markets in different countries or sectors at costs lower than other investments. The EGX listing committee approved the listing of ETFs at a total value of 10 million EGP (\$1.4 million) divided into 1 million certificates of 10 EGP each.



### Organization of the the financial days' fourth session

Casablanca Stock Exchange received 600 students on the occasion of the financial days' fourth session of the Finance days. This annual event is targeting children and youth and organized by the Moroccan Association of Financial Education. The visits aim to familiarize the trainees with the laws and regulations of Casablanca Stock Exchange and increase financial awareness.



### The Palestine Exchange launches its disclosure system "IFSAH"

Palestine Stock Exchange launched its disclosure system "IFSAH", which has positive impact on the disclosure process and the Palestine investment environment. "IFSAH" was developed internally to streamline and organize the disclosure process between the listed companies and other stakeholders including PEX, PCMA, brokers, investors, auditors and analysts. The new system will enforce the use of International Financial Reporting standards (IFRS), achieve consistency, provide an electronic data base that can be used for different purposes and will eliminate human error.



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