



CAIRO

FINANCIAL REGULATORY AUTHORITY (FRA)

Background:

Cairo is represented by the Financial Regulatory Authority (FRA) which was established in 2009, and replaced the Egyptian Insurance Supervisory Authority (EISA), the Capital Market Authority (CMA), and the Mortgage Finance Authority (MFA). The FRA is responsible for supervising and regulating non-banking financial markets and instruments, including the capital market, futures exchanges, insurance activities, mortgage finance, financial leasing, factoring, and securitization.

Objectives:

The FRA plays a pivotal role in ensuring stability and soundness of the non-banking markets, and boosting their competitiveness to attract further domestic and foreign investments. The FRA also works on reducing risks resulting from the lack of coordination, in addition to addressing problems emanating from the presence of different regulatory methods.

Priorities for 2020:

In 2020, the FRA is planning on providing a series of capacity building programmes for its constituents, especially in the insurance, mortgage and microfinance sectors.

The FRA is also trying to encourage the issuance of green bonds by specifying the criteria for accepting international and local experts for third party verification. Also by announcing a 50% reduction on issuance services costs for investors who are interested in issuing green bonds.

Further, the FRA is drafting a regulation which would encourage its regulated entities to publish ESG annual reports. After a defined grace period, the FRA will make ESG reporting mandatory, and it will launch a regional centre of excellence for sustainable finance.

Highlights:

- 1 The Financial Regulatory Authority is the first Egyptian governmental authority that has issued a report on sustainable development.¹
- 2 FRA is establishing a Regional Centre for Sustainable Finance (RCSF) for the MENA region.²
- 3 The FRA is seeking to issue green bonds during 2020.³

Membership of any other sustainable initiatives/ networks:

Sustainable Insurance Forum (SIF)

1 http://www.fra.gov.eg/content/efsa_en/efsa_news_en/efsa_759_en.htm

2 <http://english.ahram.org.eg/NewsContent/3/12/352794/Business/Economy/Egypt's-Financial-Regulatory-Authority-to-establish.aspx>

3 <https://www.egypttoday.com/Article/3/77960/FRA-seeks-to-issue-green-bonds-in-2020>

Links to Social Media:

