



هيئة الأوراق المالية والسلع  
SECURITIES & COMMODITIES AUTHORITY

# Awraq Maliyah



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## Chairman's Message

It is our pleasure to disclose that Securities & Commodities Authority SCA has continually taken initiatives aiming at extending bridges of communication with investors and all other strategic partners. These initiatives represent extremely efforts of SCA to support the investors' sentiment in the securities markets.

During the current year, one of the most significant steps that has been taken by SCA in this context, was launching the new website which provides a wide-range opportunity to all browsers and investors. Furthermore, I would like to refer to the interactive electronic system that allows auto-submitting proposals and suggestions or complaints and provides immediate follow-up-tracking.

Undoubtedly, issuing this newsletter is not only being considered as a spokesman of SCA but it is also a resourceful channel of information and updated data which introduces mass-media staff specialists and deliver the latest brief on SCA.

In the meantime, it faithfully reflects all efforts spent to raise the legislative infrastructure of the capital markets. Moreover, it depicts the latest developments taken to enhance technically and administratively its human-cadre integrity and competence. At present, SCA has tangibly acquired the materialistic momentum to set up the necessary regulations and rules that guarantee the sound and fair transactions in the capital markets.

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**Sultan Bin Saeed Al Mansoori**  
Minister of Economy/ SCA Chairman

## SCA Board Ratifies the Dual Listing & Regulating the Private Joint-Stock Companies Register

The Securities & Commodities Authority Board has approved in its meeting chaired by H.E. Sultan Al Mansoori the Minister of Economy/SCA Chairman has approved the dual listing regulations that allow the listed companies in the local markets to list its shares in the free zone or external financial markets and also to allow the counterparts in the free zones to list its securities and commodities in the local markets upon procuring the consent of the authority. The coordination between the financial markets in the UAE will be enhanced in order to set time frame and various levels needed to apply the regulation.

H.E. Sultan bin Nasser Al Suwaidi, Central Bank Governor, H.E. Abdullah Al Turaifi, SCA Chief Executive Officer, H.E. Sami Zaher Al Quemizi the Director General - Dubai Department of Economic Development, H.E. Mahmoud Ibrahim Mahmoud and H.E. Mr. Hamed Kazem have attended the meeting during which the Board mull some important subjects and issues related to the securities sector. However, subjects discussed were as follows:

### Dual listing criteria

The Board has adopted during its meeting a resolution concerning the dual listing regulations for public joint stock companies so as to the companies listed in the local markets can list their securities in the free zone financial markets. Subsequently, the free zones listed companies may list securities and commodities in the local markets upon procuring the consent of the SCA in accordance with

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## Output of SHARE Training Program

## SCA Receives The Second Group of “SHARE” Trainees



SCA has recently received the second group of the trainees graduated from institutes and the academic establishments in UAE to join financial market after being trained on the track associating to the “SHARE” program. Being they have been trained in UK for three months in the establishments of the financial sector which was completely and successfully done. This program is deemed unprecedented step to fulfill more investment in human resources which represents a main target in the agenda of the SCA’s strategy towards the activation of actual materialization of mobilizing and developing the abilities

and skills of the nationals to be readily qualified and competent employees in this field.

The said program includes training teams and seminars in the different subjects of the securities and investments. The trainees during the program, have practically field trained on the management in London Stock Exchange, London Securities and Investment Institute (SII), in addition to certain brokerage firms operating in the market of London. The program has equipped the trainees with the latest skills recognized in the field and fully complied with the best practices known world-wide.

## Chairman’s Message

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While SCA is issuing this newsletter which clearly proves that we believe in the leading role enhanced by the economic media as mass communication means render a great awareness service to cross-section of readers. We do appreciate its contribution in enhancement the analytical and explanatory process where it is being considered in amendment of rules and laws as well as the issuance of new legislations.

However, the issuance of this newsletter is a self-explanatory message conveying the belief of SCA on the value-adding importance that attained from the effective communication being it is regarded as one of the pivotal and crucial factors in combating crisis and uncertainties.

It is worth mentioning that, the significance of the SCA’s initiative is really an embodiment of the federal government directives aiming at development the society on the reinforced integrated medium of external and internal communication. The integral informative message became a corner stone necessarily needed to meet the latest global developments.

Meanwhile, it solidifies the horizons of institutional bodies and governmental authorities’ attitude in providing high levels of transparency, accountability and accuracy that boost the strategic goals and targeted plans. It represents at the same time adoption of the best practices globally recognized in the governmental communication.

**Sultan Bin Saeed Al Mansoori**  
Minister of Economy/ SCA Chairman

### Within the Streamline Efforts Exerted to Promote the Legislative Environment

## SCA Issues the Margin Trading & Respectively Amends 5 Regulations

In accordance with SCA’s extremely efforts that aim at updating the legislative environment to be fully complied with the best supervisory and monitoring practices. SCA has issued some of the pertinent regulations during the current year. In this respect, the new issuance and the relevant amendment some regulations primarily aim at protecting the investors as well as reinforcing the stability in the financial markets. Moreover, it epitomizes the SCA mission in boosting transactions and trading based on complete disclosure and transparency. The regulations and amendments that have been ratified can be summarized as follows:

#### Issuance of the Margin Trading Regulations

According to the regulation, the brokerage firms, for the first time, became legally entitled to finance a part of its clients’ transactions in procuring securities. In the past, brokerage firms were prohibited to provide such service to their clients. However, the new regulation comprises terms and conditions that protect the rights of both brokerage firms and the clients as well.

#### Amendments Pertinent to the Arbitration Mechanism

The amendments have been accomplished in line with SCA’s efforts exerted to develop procedures and mechanisms of settling the disputes resulted in the trading securities and commodities. However, according to the current amendment the parties of dispute can upon their own discretion either filing the suites and take the court proceeding or to follow the arbitration mechanism.

#### Amendments Enhanced on Disclosure & Transparency

The amendments have specifically tackled the compulsory procedures that the markets should follow as for disclosure requirements upon declaring the balance sheets as well as the account of profits and losses. Indicating, at the same time, the role assigned to the markets towards the of violations committed by the listed companies.

#### Amendments Approved on Trading, Clearance & Settlement

The most significant amendments taken is modifying the terms in which, the board-members as well as the insiders of the listed companies are prohibited from trading. The procedure came to prevent exploitation of information by insiders according to their positions. At the same time, it supports the share-holders ‘rights protection. The amendment complies with the best practices globally recognized in this respect.

#### Amendment of the Debentures & Islamic Sukouk

According to the recent amendment, the debentures as well as the sukouk issued or guaranteed by the government will be exempted from the credit rating condition.

In addition to the previously-mentioned, SCA has approved in its latest board meeting, two resolutions; the regulation of the dual listing in the local financial markets as well as in the free zones’ markets. The second regulation was concerned with registration arrangement of the shares of the joint-stock companies. The two regulations have been published in detail on the front & the third page of this issue “Awraq Maliyah”.







During the Opening of the Gulf Financial Brokerage Forum

## H.E. Sultan Al Mansoori Calls the Brokerage Firms for Restructuring as well as Raising Adequacy

H.E. Sultan Bin Saeed Al Mansoori, the Minister of Economy & SCA Board Chairman called all brokerage firms in Gulf to re-structuring and to increase their adequacy to be able to compete and to fulfill the requirements of the regulating authorities of the financial markets. H.E. also stressed the importance of the brokerage firms to be ready to deal with the corporate governance. H.E. Abdullah Al Turaifi, the CEO of SCA expressed in his speech delivered on behalf of H.E. Sultan Bin Saeed Al Mansoori on the opening session of the Gulf Financial Brokerage Forum held in Abu Dhabi on 14th, 15th, October, 2008 in conjunction between the Securities & Commodities Authority, Federation of GCC Chambers of Commerce and Industries and (organized by) the Itisal Events Management Company.

H.E. Sultan Al Mansoori also requested brokerage firms in financial Arab markets to comply with the professional standards and to work on enlightening the investors and to show more transparency. Accordingly, such approach will increase trust in the capital markets. H.E also urged the brokerage firms to adopt a wise management systems and to develop a governance like the system applied by the listed companies. Al Mansoori called to set the code of conduct for brokers in order to establish a charter of honour to be mandatory followed by all brokers.

The Chairman called all brokerage firms to work to develop the efficiency of the brokers profession, to boost the financial capital adequacy in addition to raise their performance to keep pace with the new developments in the financial markets. However, such significant changes are aiming at providing new financial services after endorsement of such services by the regulatory authorities in the market. He also stressed on the necessity of reviewing the legislations

and regulations from time to time specially those governing the brokerage profession. In conclusion, the participants recommended the necessity of joint-cooperation between the concerned financial and monetary bodies in GCC, to hold coordination meetings. In such jointly-held-coordination meetings, that respectively discuss issues of mutual concern, constructive resolutions can be taken. The participants also called to encourage the merger between the brokerage firms in order to establish a developed and high brokerage work scheme. They also confirmed the importance of supporting the role of regulatory bodies and auditing entities in the region, and encourage full and early disclosure on the size of risks and the value of the low quality loans. Aiming at working to unify the Gulf capital markets and to work for preparing the common regulations and legislations and to complete such laws to cover all financial, commercial and investment aspects.

H.E. Abdullah Al Turaifi has, at the end of the meeting, confirmed the importance of combating the big challenges facing the Arab markets in the light of global financial crisis that hit the international financial markets. He also praised the measures that have been taken by the UAE government to support the financial markets and banking systems and said that such measures set to serve the national economy and to restore the trust to financial markets in the UAE. H.E. Al Turaifi stressed that the short selling operations are not legal in the UAE markets until now and he warned the entities using such method from continuing respectively. H.E. Al Turaifi said that such malpractices may harm the financial markets in the event of down - turn and uncertainties, saying that many countries have banned short selling in their markets.

## SCA Implements Overall Assessment for HR

### SCA Establishes Career Development Center

SCA has established a career development center under Human Resources and Financial Affairs Department in order to develop the skills of its employees, to specify their career development platform throughout the year, where it also provides a various series of professional advisory services.

On the other hand, SCA in cooperation with IFE advisories will evaluate all their employees to determine training needs. The center made interviews with the employees to specify the KPI to keep pace with the federal government strategy.

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### SCA Board Ratifies Two Resolutions

(Continued from Page 1)

a set of terms and conditions. The Authority may approve the listing of the securities of the free zone financial companies in the UAE markets in accordance with the new regulations.

Among the plans approved by SCA Board to develop the performance of the financial markets and to reinforce its legislative and regulation structure. SCA Board has adopted a resolution concerning the regulation of private joint-stock registration companies. Accordingly, an authorized body will be assigned by SCA to handle the private stock-companies registration process. However, the new regulation will specifically clarify all the pertinent steps to the body assigned as a registrar for the private-stock-companies. The transfer of these companies shares won't be eligible valid unless a transference notification issued from the clearance and settlement department in the respective financial market. However, the new procedure reduces periods required for transfer these companies into public joint-stock companies due to the early registration of these companies data before.

Accordingly, SCA will set up all terms and conditions, to the body to be licensed by SCA to act as a registrar of the private-stocks companies. Where fines and penalties as well as suspension of the license and other disciplinary actions, will be included in case of committing a violation to the commercial companies law. Moreover, the due respective coordination will be jointly taken with the Ministry of Economy to issue a ministerial resolution stipulating on shares registration of the private-joint-stock company in the relevant financial market.



To Serve the Investors, Researchers  
and All those Interested in the UAE  
Capital Market

## SCA Website Turns into E.Portals with Four Specialized Subsites

The Securities & Commodities Authority (SCA) launched a website for investment information and awareness directly linked with the SCA portal to serve investors, traders, and all partners of SCA. At the same time, it extends help to the researchers and those interested in the UAE capital market. The website contains news about events related to the investor awareness, press releases, awareness paragraphs, circulars and reports, events and seminars classified according to the category intended to be enlightened such as investors brokers and financial analysts.

This website also includes scientific articles (videos) – currently under processing-, minutes and documents to serve as a reference for the investor in case of any particular enquiry.

### Reporting Center

SCA also launched a “reporting center” to enable any person to interactively obtain the required report on the indices of the UAE market news and the relevant database of the transactions. Accordingly, the indices and relevant information can be shown in the form of statistics, in which, the investors as well as the parties concerned can easily scan and be acquainted well by the contents. Therefore, the reporting center is an important learning resource to the financial analysts, the economic researchers, the investors and those working in the press and mass-media operators. The information can be accessed, apart from, the format of the file; whether in Excel sheets, PDF, Word-processed documents, it is immediately checked via the Emirates Securities Market ESM website under the heading “Emirates Market Index”.

### One-Market Watch (OMW)

It is worth mentioning that SCA has managed to set up a one-market watch for direct trading prices, currently is under testing period. Moreover,

a “Game Trade” has been added to previously mentioned OMW where it is aimed at providing educational method in terms of game of sale and purchase. In the mean time, the SCA’s portal has many advanced features and techniques. The main website accommodates several sub-websites, they respectively include the ESM, an Investment Information and Awareness, as well as a significant website specifically assigned for the Emiratization program “SHARE” initiated by SCA.

The new feature of SCA’s website has been designed on separating the role of SCA being a legislative and regulatory authority, and the structure of the Emirates Securities Market being herein referred as technical entity.

### Introducing SCA & the Investor on Section-wise Division

The new portal contains the main website which includes a special section to introduce SCA, in terms of its establishment, development, vision, mission, objectives, organizational structure and respectively the SCA departments as well as the formation of the Board. Meanwhile, the website further includes special section concerning the laws and regulations of SCA, in addition, the international relations section that concerns the relationship between SCA and the International Organization of Securities Commissions (IOSCO).

Moreover, it also includes the memoranda of understanding that have been dual signed by both of SCA & the Union of Arab Securities Authorities (UASA) as well as the relevant news as well. As for the section assigned for investors, it presents the methodology on how to trade securities, transactions’ settlement and respectively the investor’s responsibility in this regards. The markets’ section exhibits the three exchanges; Abu-Dhabi Securities Exchange ADX, Dubai Financial Market DFM

and Dubai Gold & Commodities Exchange. The next section procedurally explains the registration and listing of the public joint-stock company as well as terms and conditions of company’s share buy-back criteria.

It also clarifies the corporate governance rules, the general assemblies, dividends, and the financial statements. Where the section profoundly provides all information of interest to the investors, it specifically offers the securitization in details; shares, bonds, Islamic sukouks and the brokerage in the field of securities.

### The Daily Index Report on the Emirates Securities Market (ESM)

The main website of the portal contains the daily index report on the ESM as well as the relevant guidelines necessarily needed to raise the investors’ awareness. The site provides some links that are closely related to the financial field as well as the mail bulletin. In this respect, a specific corner has been assigned to receive proposals, outstanding events, and voting box as well.

### An Effective Communicative Channel Provides Information & Facilitates Procedures

This is one of the technical features of the portal, so as to support the services compiled in the former website by new developed services in order to contribute to facilitating and accelerating the procedures. Furthermore, the site provides formats on the companies’ disclosure of the financial statements, the company’s share buy-back process, Islamic bonds (Sukouk), bonds, and other formats that specifically indicate the methods of registration of a brokerage firm .etc.

The new portal has provided an advanced search tool which is epitomized in a search engine that can be easily used to enquire about the information, data, and the resolutions where





the users are interested to find out. In this respect the previously provided service in the old website "My Portfolio" has been forwarded to be used in the new website in an advanced manner. The most important point that should be taken into consideration by viewers and visitors of the site, whether they were investors, analysts, researchers, and any other concerned parties is that the phenomenon upon which the new website based on.

In this respect, the new website reflects the professional role, where it clearly separates between the SCA in its capacity as a legislative and regulatory entity and the website of the Emirates Securities Market which technically reflects the performance of the financial markets in both Abu Dhabi & Dubai. Therefore, the site is enriched with a combined integrated package of financial data, information and indices of the one-market watch.

In fact, since its inception, SCA has been empowered with the responsibility of supervising and monitoring the Emirates Securities Market (ESM) based on the Federal Law # 4 Of 2000. Accordingly, the technology used to build the website was mainly employed to serve skillfully these two roles. Accordingly, browsers on segment - option - where can easily access their target

It provides an advanced technological service to both public joint - stock companies and brokerage firms, where they can easily update their companies data to maintain transparency and credibility as well.

#### Awareness Site:

It is a compact site that supports the main website where it enhances SCA's awareness role by providing awareness texts mainly targets the retail investors, brokerage community, analysts and others interested. It is an ultimate quiet different resourceful learning that serves on quality-wise.

#### The Emirates Market:

It supports the capital markets functions by setting up a one-market watch that accommodates the local financial markets in UAE under one-market watch practically titled "The Emirates Securities Market", in which all the relevant information of the listing companies, brokerage, as well as trading in both markets are available.

#### SHARE Site :

It is a site being initiated by SCA to empower the UAE nationals in acquiring the technical skills. It makes use of the outputs of the academic institutions where it reinforces emiratization through integrated packages of career development insuring competence in the field of economic and financial services as well.





## SCA Ratifies Articles-of-Association Amendment for 125 Companies

## SCA Approves Establishment of 13 New Companies with A Total Capital Value of AED 3.5B. & Reviews 34 Feasibility Studies

SCA has approved establishment of 13 new public joint-stock companies upon reviewing their applications and has supervised the subscription of the relevant initial public offerings of these companies whose total accumulated capital value amounted to AED 3.5 billion.

From the beginning of the year and until October 8th, SCA has issued 125 ministerial resolutions amending articles of association of the public joint-stock companies based on decisions taken by its general assembly meetings. SCA has supervised and attended 152 general assembly meetings for the companies within the State, 112 of which were ordinary meetings, 35 extra ordinary meetings, and 5 on founding general meetings. SCA, accordingly, approved 13 applications to issue debentures including that of Islamic Sukuk.

At the same time, SCA has also issued a comprehensive guideline directory for the procedures indicating terms and conditions of establishing a public joint-stock company in order to facilitate, develop and to shorten the time, and paving the way to companies intending to go into public. However to increase the trust and the investors' sentiment in the

securities offered for subscription, SCA has thoroughly monitored the re-evaluation of the in-kind assets of companies that intend to go into public. The total number of companies registered by SCA is 137 companies, out of which is 32 foreign ones. While the local companies number is 105. At the same time, the total number of listed companies is 129.

As for disclosure and transparency, the Committee assigned for Reviewing Feasibility Studies at the Issuance and Disclosure Department has, until the third quarter of 2008, reviewed 34 feasibility studies for 34 companies including 24 private joint stock company herein forwarded from the Ministry of Economy and another 10 public joint stock companies.

At the same time, the Department has also prepared a profound a guideline directory for the listed public joint stock companies indicating the procedural mechanism of the complied disclosure. Such guideline-directory has been posted on SCA's website as well . In this respect, the percentage of disclosure in the first quarter of the current year was (94.17%) and this percentage increased in the second quarter of the same year to reach (99.19%).

### The Companies that have been Established-Incorporated or Being Transferred into Public Joint Stock Companies during the Year 2008

NO.	Company	Activity	Emirate	Application Type	Capital of the Company(AED million)	Public Subscription (AED million)
1	Methaq Takaful Insurance Co	Insurance	Abu Dhabi	Establishment	150	82.5
2	Green Crescent Insurance Company	Insurance	Abu Dhabi	Establishment	250	137.5
3	Al Etihad wastewater	Services & Trading	Abu Dhabi	Establishment	175.3	0
4	Al Hilal Takaful	Insurance	Abu Dhabi	Establishment	100	0
5	Al Wathba Wastewater	Services & Trading	Abu Dhabi	Establishment	237.5	Not Applicable
6	Al Ruwais Holding for Power	Power	Abu Dhabi	Establishment	1.195.1	Not Applicable
7	Abu Dhabi General services	Services	Abu Dhabi	Establishment	10	Not Applicable
8	Takaful House	Insurance	Dubai	Establishment	100	55
9	Noor Family Takaful	Insurance	Dubai	Establishment	75	0
10	Takaful Emirates	Insurance	Dubai	Establishment	150	82.5
11	Export Credit Insurance	Insurance	Dubai	Establishment	50	Not Applicable
12	Ajman Bank	Banking	Dubai	Establishment	1.000	550
13	Noor General Takaful	Insurance	Dubai	Establishment	75	Not Applicable
Total (AED Billion)					3.568 (Approx.)	908 (Approx.)





## SCA Issues 130 licenses for Commodities Brokers

# Trading Value at Dubai Gold & Commodities Exchange (DGCX) Rose 85.5% to \$51.62 Billion (Dh189,5) in 9 Months of 2008

The number of traded contracts at DGCX recorded more than 1.015 million contracts amounting to \$51.6billions (Dh189.5 billions) during the first nine months of the current year. This represents an increase of 85,5% per cent compared with the same period of the last year. Number of Licenses issued for commodities brokers increased to 130 licenses as compared to 121 licenses of the last year. The increase in number is 9 licenses.

The Securities & Commodities Authority (SCA) has added a new dimension to its regulatory responsibilities on capital markets, when it became the regulator for the DGCX. The latter is being regulated by the SCA as a self-regulatory organization (SRO) under the terms of the bilateral Memorandum of Agreement.

### The Most Significant Developments of SCA during the Year 2008

SCA started collecting regulatory transaction fees from DGCX with effect from 1/1/2008. DGCX is presently paying fees on contracts on which it is charging fees to brokers. Currently fees are being charged on all contracts listed on DGCX except Steel.

On SCA's advice and guidance, DGCX has become the International Organization of Securities Commissions (IOSCO) affiliate member in June, 2008.



Number of the licensed brokers at DGCX goes up to 130 (year 2007 – 121 licenses only) – 9 new licenses issued in 2008 (In the Year 2007-34 new licenses) so far. All licenses are now being renewed up to 31/12/2008 to be in line with the practice adopted for the securities brokers.

SCA has permitted DGCX to list 2 new Futures contracts on commodities – Plastics & Crude Oil to be listed for the first time in the bourse.

Cash settlement of Crude oil Futures contracts has been permitted by SCA. Compulsory cash settlement has been introduced for the first time in Crude oil contracts. This is intended to bring in participation from international trader community. However, clients are able to settle contracts with

delivery outside the exchange and inform the exchange about it, under the DGCX's Exchange for Physical facility.

A comprehensive 3 day inspection of DGCX has been undertaken in February, 2008 in which the future plan of DGCX up to 2011 has been reviewed.

Since DGCX is a Self Regulated Organization (SRO), brokers with substantial risk towards market and clients are inspected by the inspectors from SCA. Other brokers are inspected by DGCX. Accordingly, 9 largest brokers in terms of client volumes have been inspected by the SCA so far in 2008. 5 other brokers have been inspected by DGCX.

SCA has permitted DGCX to offer one-year leased membership to its Trade Members and Broker Members with effect from July 1,2008. This is a great incentive to bring new broker members who want to “test the market in Dubai”.

SCA has permitted DGCX to offer rebates to its broker members on DGCX membership fees based on the volumes traded by the broker. This is another good incentive from DGCX to its members to encourage them to trade in large volumes.

### The Legal Framework

SCA's regulation no.157 of 2005 regarding Listing and Trading of Commodities and Futures Contracts, which was adopted on 17th, of October 2005, governs the licensing of commodities brokers and the listing & trading of commodity-based derivatives contracts on the DGCX.

Apart from this, SCA has internal policies and procedures for handling the work related to Commodities exchanges, which forms the basis of regulating the DGCX and the licensing of brokers to offer brokerage services on the DGCX.

DGCX was licensed by the SCA on 19th November 2005. It commenced trading with gold futures contracts on the 22nd of November 2005.

### DGCX Trade Statistics

STATEMENT/YEAR-WISE	NO. OF TRADES	NO. OF CONTRACTS TRADED	VALUE IN BILLION (\$)
Year 2007	258,568	907,469	34.68
Year 2008 (up to 30th september'08)	300,037	1,015,647	51.62
% Increase (up to 30/9/2008 vs. Full year 2007)	16.04 %	11.92 %	48.85 %

## Establishment of the Committees Concerning Executive Regulations, Compatibility, Conformity, Control and Enforcement

# Union of Arab Securities Authorities Aims at Developing Organizational Legislative Scheme of Arab Markets



Union of Arab Securities Authorities (UASA) aims to develop and improve the legislative and organizational work scheme of the securities markets in the member states. And to help achieve coordination and collaboration between its members and the conformity enhancement in regulations and laws. The Union also aims to boost the joint efforts to attain an effective level of control to be maintained on the transactions in the Arab securities markets. Aiming at raising awareness on transparency and disclosure conceptions in such markets. Based on this perception and the conceptualized vision, a number of committees were established to materialize the foregoing objectives. It was agreed to establish new three committees as follows: Firstly, Committee for Executive Regulations for securities markets. Secondly, Committee for achieving compatibility and conformity between the applicable regulations and laws in the securities markets. Thirdly, Committee for control and law enforcement.

These three committees were formed on 2008, under the platform achievements of the Union. The first committee has been assigned with many tasks to work thereon. These tasks included the organizational components of securities sectors, the governmental role in controlling such sectors, the level of freedom in investment. Moreover, elaboration of the local and international exposure, the order and procedures applicable in initial public offering and issue, disclosure and information, applicable technical systems, electronic connections between securities markets and dual listing, mutual funds, issued and traded securities. Furthermore, the committee's tasks included on handling the relationship between the Union and other Arab and international organizations, the procedures of risk management and the development of the brokers and brokerage community.

The second committee has been vested with a group of tasks relating to the laws concerning establishment in the securities markets, by-laws of regulators and financial markets, the applicable methods and procedures in issuing and amending the regulations and laws in the UAE, the legal nature of resolutions of the regulators and the securities markets, the regulations for processing transactions based on internal information, the prevailing methods in explaining regulations and laws, the initial public offering systems, as well as the procedures followed to protect the securities

investors and the corporate governance as for the public joint- stock companies.

### Committee for Control and Law Enforcement

The Committee for control and law enforcement was concerned with tasks relating to trading monitor, the supervision on securities issuance entities, the control on the licensing such entities approved to operate in the UAE or therein among the member states of the Union. At the same time, assigned tasks of anti-money laundering, dealing with the prevailing procedures followed to protect securities investors.

Moreover, elaborating the various types of inspection and the systems and rules relatively valid thereon, bodies responsible for inspection, and tasks related to law enforcement. The tasks of this committee is also extended to the rules and procedures adopted to enforce the laws and regulations by securities markets as well as regulatory bodies, the watchdogs of the markets.

Furthermore, the administrative resolutions effectively executed to impose the penalties and disciplinary actions on violators, court judgments and the relevant jurisdiction. Indicating the methods for filing a suit, the civil and judicial authority concerned in applying the laws and the cooperation with other judicial apparatuses.

### The Meetings of the Permanent Committees in Jordan and UAE

The above-mentioned three permanent committees have held their respective meetings in the UAE and the Hashemite Kingdom of Jordan in order to approve the main tasks and to set up the work-platform. Such committees also stressed on the importance of the contribution of all the member regulatory bodies in the Union to achieve the respective objectives. As a result of such meetings, seven teams were formed to follow up the execution of certain tasks of such committees. The respective formed work teams held their meetings in both of KSA, UAE, and Sultanate of Oman.

The afore-mentioned work teams have gathered detailed information regarding laws, regulations and procedures relating to the work of the entities. They make

use of these information as a data-base in creating a specific opinion about status-of the securities in the member states and serves as a digital library.

In the meantime, the General Secretariat of the Union has collected and classified full versions of applicable laws, regulations and procedures in the member states. Where these versions will be compiled together in the digital library providing researchers and specialists with information.

### UASA Website Undergoing

During the course of the year, the Union approved holding seminar titled "An Overview for the Securities Sector and its Components" in Damascus in cooperation with the Syrian Capital Market Authority. Another seminar titled, "the Economic Media and Securities Markets" held in Amman, Hashemite Kingdom of Jordan concerning economic media and its relation with the national economy in Arab countries.

The seminar pivots included: The importance of the financial information and the relevant effect on financial markets, assessment of the economical analysis and their effect on investors and Arab public opinions, the internet forums and their roles as channels in investment awareness. Elaboration the role of training in sharpening the skills of economic journalists, and the role of Arab expertise to raise awareness in securities markets. On the other hand, a new website for the Union is being constructed to shed lights on the union activities.

### The Arab Capital Market Conference

The General Secretariat suggested holding an annual conference involving the establishments operating on an Arab stock markets to be under the title, (The Arab Capital Market Conference).

The conference shall include the financial establishments operating in the Arab securities sector. They may comprise: Arab Securities Authorities Union, Arab Bourses Union, the Arab Clearance and Central-Deposit Establishments, Brokerage Communities, Arab Banks Union, the Chartered Accountants operating in the Arab region and the 100 largest public joint stock companies listed in the Arab stock markets in terms of market value.

