

**Financial Regulatory Authority Board**

**Decree No. 1732 of 2024**

**Dated 17 August 2024**

**Requirements for Securities Brokerage Firms to Obtain FRA Approval for Trading Carbon Credits.**

In accordance with

The Capital Market Law No. (95) of 1992 and its Executive Regulations,

Law No. (93) of 2000, for the Central Depository and Registration of Financial Instruments and Securities

Law No. (10) of 2009 for the Regulation of Non-Banking Financial Markets and Instruments,

Financial Regulatory Authority Board Decision No. (31) of 2024,

The Board of Directors of the Financial Regulatory Authority (FRA) resolves the following on 17/7/2024;

**(Article 1)**

Securities brokerage firms aiming to obtain the approval of the Financial Regulatory Authority (FRA) to trade carbon credits must fulfill the following requirements:

- 1- The firm's issued and paid-up capital must be a minimum of fifteen million Egyptian pounds. Furthermore, the firm's equity must equal or exceed its paid-in capital at the time of application submission to the FRA.
- 2- The firm must possess the necessary technological infrastructure, including data protection and security measures, as specified by the FRA.
- 3- The firm must have the appropriate technological systems in place that facilitate the trading and settlement of carbon credits
- 4- The firm must assign a specific employee responsible for trading carbon credits, provided that the employee has completed the training course specified by the FRA. Alternatively, the firm may submit a pledge stating that the employee will complete the required training course once the FRA determines the course date.
- 5- The firm must maintain documents and accounts related to the trading of carbon credits.
- 6- No disciplinary action, other than warnings, may have been imposed on the firm by the FRA within the six-month period prior to the application submission date.

**(Article 2)**

The firm shall submit an application form to the FRA to obtain approval for carbon credit trading, along with the documentation specified in the preceding article.

The FRA shall review the submitted application and render a decision within one week of its receipt, provided all necessary information has been provided. If no decision is issued within this timeframe, the application shall be deemed rejected.

**(Article 3)**

This Decree shall be published in the Official Gazette and on the websites of the Financial Regulatory Authority (FRA), the Egyptian Exchange, and the licensed Settlement and Clearing Company for carbon credits.

\*\*\*\*\*