

# SAMA ANNOUNCES THE LAUNCHING OF LICENSES FOR NON-BANK FINANCIAL INSTITUTIONS

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The Saudi Arabian Monetary Authority "SAMA" announces the launching of licenses for non-bank financial Institutions (Financial Technology Institutions), by announcing the issuance of the first license for an Electronic Wallet Company and the first license for a Payment Services Company in the Kingdom.

The announcement comes as part of SAMA's efforts to achieve the objectives of the financial sector development program, which is one of the pillars of the Kingdom's 2030 vision, in enabling financial institutions to support private sector growth by opening financial services to non-banking actors (payment services providers and financial technologies), supporting development of the national economy

Whereas, the SAMA has licensed the Saudi Digital Payments Company (STCPay) as an Electronic Wallet Company, and GEIDEA Technology Company as a payment services company, and this comes after the success of the trial period in the experimental environment.

This comes after SAMA has published the Draft Regulations on its website for public consultation, as the public views were taken into consideration to serve the interest of the sector. These guidelines will also allow SAMA to fulfill its mandate in regulating the payments sector and keeping up with international best practices. That is based on SAMA's mandate to license, control, and oversee the payments sector in the Kingdom, arising from the Council of Ministers Resolution No. 226 dated 02/05/1440 H corresponding to 14/10/2018

These guidelines enable the licensing of payment companies, as well as regulate payment services in the Kingdom, through a supervisory and oversight framework that insures the safety and efficiency of transactions in the payments sector. This is being done whilst maintaining a level playing field, and helping to maintain Financial Sector stability. The guidelines included the minimum requirements to undertake any of the payment services, such minimum capital requirements based on the nature of their functions, as well as data protection, governance, and risk management requirements.