

Translation of

the Fintech in
Non-Banking
Financial Activities
Law No. 5 of 2022

ترجمة قانون التكنولوجيا المالية في
الأنشطة المالية غير المصرفية
رقم ٥ لسنة ٢٠٢٢

25 December 2025

**Law No. 5 of 2022 Concerning the promulgation of the Law Regulating and Developing the
Use of Financial Technology in Non-Banking Financial Activities**

In the name of the people President of the republic

Preamble

In the Name of the People,

The President of the Republic,

The House of Representatives has adopted the following Law, and we hereby promulgate it:

Promulgation Articles

Article (1):

Without prejudice to the provisions of the Central Bank and Banking System Law promulgated by Law No. (194) of 2020, the provisions of the attached Law shall apply to persons and entities carrying out non-banking financial activities using financial technology.

Article (2):

In matters not specifically regulated by the attached Law, the provisions of the Companies Law (Joint-Stock Companies, Partnerships Limited by Shares, Limited Liability Companies, and One-Person Companies) promulgated by Law No. (159) of 1981, as well as the provisions of the laws regulating non-banking financial activities, shall apply, as the case may be.



Article (3):

With the exception of disputes and actions falling within the jurisdiction of the State Council, the Economic Courts shall have jurisdiction to adjudicate disputes and actions arising from the application of the provisions of the attached Law.

Article (4):

Persons and entities subject to the provisions of the attached Law shall regularize their status in accordance therewith within six (6) months from the date of issuance of the implementing decisions.

The Board of Directors of the Financial Regulatory Authority may, by a decision, extend the regularization period referred to in the preceding paragraph for one or more similar periods, provided that the aggregate extension periods do not exceed two (2) years.

The Prime Minister may, by a decision issued upon the submission of the Chairperson of the Financial Regulatory Authority, further extend the regularization period for an additional two (2) years.

Article (5):

The Board of Directors of the Financial Regulatory Authority shall issue the implementing decisions for the provisions of the attached Law within six (6) months from the date it enters into force, and such decisions shall be published in *Al-Waqa'i' al-Misriyya*. Until such implementing decisions are issued, the existing decisions shall remain in effect to the extent they do not conflict with the provisions of this Law.

Article (6):

This Law shall be published in the Official Gazette and shall enter into force on the day following the date of its publication.

This Law shall be sealed with the State Seal and shall be enforced as a law of the State.



Law Regulating and Developing the Use of Financial Technology in Non-Banking Financial Activities

Chapter One: Definitions and Objectives of the Law

Article (1):

For the purposes of applying the provisions of this Law, the following words and expressions shall have the meanings assigned to each of them:

The Authority: The Financial Regulatory Authority.

The Authority's Board of Directors: The Board of Directors of the Financial Regulatory Authority.

The Chairperson of the Authority: The Chairperson of the Board of Directors of the Financial Regulatory Authority.

Non-Banking Financial Activities: The non-banking financial markets and instruments subject to the supervision and oversight of the Authority, including capital markets, insurance activities, mortgage finance, financial leasing, factoring, financing of small, medium and micro enterprises, and consumer finance.

Financial Technology (FinTech): A mechanism that uses modern and innovative technological techniques in the non-banking financial sector to support and facilitate financial, financing, and insurance activities and services through applications, software, digital platforms, artificial intelligence, or electronic records.

Regulatory Financial Technology (RegTech): The Authority's use of technological applications to monitor compliance with the prescribed laws and rules.

Supervisory Financial Technology (SupTech): A mechanism concerned with collecting data digitally, verifying it, and analyzing its indicators through programs prepared for this purpose.

Digital Platform: A business model based on the use of technological means in carrying out non-banking financial activities and offering the related products and services to persons wishing to obtain them, and which allows the exchange of data and information necessary to complete such transactions.



Data Security (Cybersecurity): Technical and organizational procedures and processes that preserve the privacy, confidentiality, integrity, unity, and interconnection of data.

Digital Identity: Any technically processed data relating to a specific natural or juristic person, or a person who can be identified directly or indirectly by linking such data with other data such as a name, voice, image, identification number, or an online identifier, provided that such data allows the evaluation and authentication of transactions carried out through digital platforms.

Digital Register: An electronic register containing data relating to transactions carried out by natural or juristic persons pursuant to this Law, enabling the tracing of such data through a secure network.

Digital Contract: A contract setting out the rights and obligations of the contracting parties electronically, and which may be recorded in a digital register. A digital contract may also take the form of a “smart contract” through a program intended to implement, control, or automatically authenticate the terms of the contract.

Outsourcing Services: Services that companies and entities carrying out non-banking financial activities, using certain areas of financial technology, assign to a third party to perform any tasks or activities on their behalf.

Electronic Applications for Financial Adviser Programs: An innovative automated system used by entities licensed by the Authority to carry out non-banking financial activities to analyze customers’ data, their current financial position, and their future financial goals, in order to provide technical advice relating to non-banking financial activities, through the use of artificial intelligence applications.

Electronic Applications for Microfinance: A microfinance product granted to individuals to finance an economic activity using electronic applications through multiple digital media for exchanging data or information, or for operating and managing the financing portfolio.

Electronic Applications for Insurance: A business model based on using modern technological techniques, such as artificial intelligence and big data analytics tools, to create new business models or new insurance products.

Electronic Applications for Consumer Finance: A business model based on using technological techniques through multiple digital media to exchange data or information, or to operate and manage the consumer finance portfolio.



Financial Inclusion: Making various financial services available for use by all segments of society through formal channels, with appropriate quality and cost, while protecting the rights of beneficiaries of such services, enabling them to manage their funds properly.

Article (2):

In applying the provisions of this Law, the Authority aims to enhance financial inclusion, expand the base of beneficiaries of non-banking financial activities, increase their efficiency, and reduce the costs required to benefit from such activities and services.

The Authority shall be the sole competent administrative authority for applying the provisions of this Law, and it may take all measures necessary to promote and develop the use of modern and innovative financial technology systems in any area of non-banking financial activities and the associated financial advisory services. In particular, for the purposes of this Law, the Authority shall have the power to:

- Take procedures for establishing companies subject to the provisions of this Law.
- Grant the licenses and approvals required to carry out the activities provided for herein.
- Use technological applications to ensure compliance with the prescribed laws and rules, thereby facilitating the Authority's regulatory role over entities subject to its supervision regarding compliance with transparency and governance standards, the protection of market participants in non-banking financial markets, and the adoption of modern and innovative technological tools to facilitate dealings with the non-banking financial sector in the area of using financial technology.
- Use technological applications to collect data digitally, verify it, and analyze its indicators through programs prepared for this purpose, and to use artificial intelligence mechanisms and other digital models to detect incidents constituting violations of the laws regulating non-banking financial activities and suspected money laundering, in addition to early warning of risks related to liquidity, financing, or other matters related to financial stability.
- Establish a regulatory sandbox environment for financial technology applications, whether independently or in partnership with others.



- Set controls for the security of data and devices.
- Supervise and oversee companies and entities subject to the provisions of this Law.
- Receive complaints submitted by concerned parties dealing with companies carrying out non-banking financial activities using financial technology, regarding violations of this Law or the decisions issued in implementation thereof.
- Prepare and publish studies and statistics necessary to promote the conduct of non-banking financial activities using financial technology.
- Raise awareness of non-banking financial activities carried out using financial technology, protect the rights of participants in such activities, and maintain the competitive environment that supports their growth.

Chapter Two: Practitioners of Non-Banking Financial Activities Using Financial Technology

Article (3):

Applications for the incorporation of companies wishing to carry out non-banking financial activities through financial technology techniques shall be submitted to the Authority on the prescribed form, accompanied by the documents specified by the Authority, including in particular:

- A bank deposit certificate evidencing that the issued capital has been fully paid, according to the nature of the activity carried out by the company.
- Three (3) copies of the company's preliminary contract and articles of association.
- An application submitted by the founders' agent, including in particular the company name, a statement of the founders' names, and the issued and paid-up capital.
- A declaration by the company's auditor accepting the appointment.



The Authority shall maintain a register in which applications for incorporation of the aforementioned companies are recorded in sequential numbers according to the date of receipt of each application. Each application shall have a dedicated file in which incorporation documents and all related procedures are kept.

By a decision of the Chairperson of the Authority, a committee comprising technical and legal members shall be formed to provide its opinion and submit it to the Chairperson of the Authority for issuance of a decision regarding the incorporation of such companies within thirty (30) days. Failure to issue a decision within this period shall be deemed a rejection of the incorporation application.

Such companies are prohibited from conducting their activity within the Arab Republic of Egypt, or from outside Egypt for residents therein, or for companies whose activity is conducted in Egypt, except after obtaining a license from the Authority in accordance with the conditions and controls set out in this Law and the decisions issued in implementation thereof, and after registration with the Authority in a dedicated register for this purpose in accordance with the controls and procedures to be set by a decision of the Authority's Board of Directors.

Article (4):

In order to obtain a license to carry out non-banking financial activities through financial technology techniques, the following conditions must be met in particular:

- The company's activities shall be limited to the activities for which it is licensed.
- The direct and indirect ownership structure and related parties must be specifically identified.
- The company must have the equipment, technological infrastructure, information systems, and protection and security means necessary to conduct the activity, in accordance with the requirements to be set by a decision of the Authority's Board of Directors.

The Authority's Board of Directors shall issue a decision setting forth the other conditions required to obtain the license relating to determining the ownership structure, forming the board of directors, and controls for avoiding conflicts of interest.



The Authority's Board of Directors shall determine the licensing fee for the company to carry out the activity, provided that it does not exceed EGP 50,000, and that it is paid through a non-cash payment method in accordance with the Law Regulating the Use of Non-Cash Payment Methods promulgated by Law No. (18) of 2019.

Article (5):

Companies and entities that have obtained a license from the Authority to carry out any non-banking financial activity may, after obtaining the Authority's approval, carry out such activities using certain areas of financial technology, or through one of the entities registered in the Authority's register referred to in Article (6) of this Law, pursuant to an outsourcing agreement concluded between them that sets out all rights and obligations of the two parties.

Companies and entities wishing to obtain the Authority's approval to carry out the non-banking financial activities for which they are licensed using certain areas of financial technology must satisfy the following conditions:

- The company must have the equipment, technological infrastructure, information systems, and protection and security means necessary to conduct the activity, in accordance with the requirements to be set by a decision of the Authority's Board of Directors.
- The company or entity must not be in breach of the law regulating its activity, or the decisions issued in implementation thereof, at the time the approval application is submitted.
- Payment of the approval fee in an amount equal to one-half of the licensing fee referred to in Article (4) of this Law, to be paid through a non-cash payment method in accordance with the Law Regulating the Use of Non-Cash Payment Methods promulgated by Law No. (18) of 2019.

The Authority's Board of Directors shall issue a decision setting forth the other conditions and procedures required for obtaining the Authority's approval to carry out the licensed non-banking financial activities using certain areas of financial technology, relating to determining the ownership structure, forming the board of directors, and controls for avoiding conflicts of interest.



Article (6):

A register shall be established at the Authority in which entities wishing to provide the outsourcing services determined by the Authority's Board of Directors shall be registered, for the benefit of companies and entities licensed by the Authority to carry out non-banking financial activities, where such companies and entities wish to use certain areas of financial technology to carry out non-banking financial activities.

The Authority's Board of Directors shall set the controls for registration and deregistration in the register, which shall include in particular:

- The required expertise for entities wishing to be registered in the register.
- The obligations that entities wishing to be registered in the register must comply with.
- Cases in which deregistration from the register applies.

Article (7):

Companies or entities that have obtained a license or approval from the Authority, as the case may be, to carry out non-banking financial activities using financial technology shall comply with the rules, controls, and requirements to be issued by a decision of the Authority's Board of Directors, which must include in particular:

- The conditions to be met in the company's organizational structure, and the practical experience and professional competency requirements for those responsible for managing the activity.
- Standards and authorizations for the electronic applications used in carrying out the activity.
- The equipment, technological infrastructure, information systems, and protection and security means necessary to conduct the activity.
- Governance requirements in terms of forming the board of directors and its committees, and the required disclosures and their timing.



- Controls for combating money laundering and terrorist financing, taking into account the instructions issued by the Money Laundering and Terrorist Financing Combating Unit, and after coordination with the relevant concerned authorities.
 - The procedures and means necessary to maintain market stability and protect market participants.
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Article (8):

Companies and entities wishing to carry out non-banking financial activities using financial technology may, after obtaining a license or the Authority's approval, as the case may be, use any of the following applications:

- Electronic applications for financial adviser programs.
- Electronic applications for microfinance.
- Electronic applications for insurance.
- Electronic applications for consumer finance.

The Authority's Board of Directors may approve other electronic applications, provided that, in particular, they satisfy the following:

- Suitability to perform the tasks of the non-banking financial activities in respect of which the license or approval has been issued, as the case may be.
 - Systems for protecting the data of market participants against electronic breaches and cyberattacks.
 - Compliance with the controls issued by the Authority regarding digital identity verification and digital contracts in carrying out non-banking financial activities, and the controls for combating money laundering.
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Chapter Three: General Provisions

Article (9):

The Authority may, on its own, in partnership with others, or by assigning the same to a competent entity, establish a regulatory sandbox that enables practitioners of non-banking financial activities using financial technology, or entities wishing to be registered or registered in the Authority's register referred to in Article (6) of this Law, to test innovative financial technology applications—including related business models and mechanisms—on real customers, as a prelude to offering them to customers, under the Authority's supervision and oversight.

The Authority may also issue a temporary license to FinTech start-ups for a period not exceeding two (2) years, to support innovative start-ups in the FinTech field in offering non-banking financial activities and products.

The Authority's Board of Directors shall determine the terms, controls, and procedures for licensing the aforementioned companies, the rules of supervision and oversight applicable to them, and the minimum issued capital (provided that it is not less than EGP 250,000). FinTech start-ups shall be exempt from the licensing fee.

Article (10):

Without prejudice to the provisions of the laws regulating non-banking financial activities regarding the terms that must be included in contracts concluded between companies or entities carrying out non-banking financial activities and their customers, companies or entities that have obtained a license or the Authority's approval, as the case may be, to carry out non-banking financial activities using financial technology shall include the following in their contracts with their customers:

- The provisions and detailed particulars of the parties to the contract.
- The amount of financing granted, the repayment term, the number of installments, the repayment terms, and the amount of each installment.



- The rate of return adopted as the basis for calculating the value of the financing, and whether such rate is fixed or variable, without being bound by the limits prescribed in any other legislation.
- A statement of the collateral obtained by the financier.

Article (11):

Without prejudice to the provisions of Law No. (15) of 2004 regulating electronic signatures and establishing the Information Technology Industry Development Agency, the Authority's Board of Directors shall issue the controls for digital identity verification and the controls for digital contracts for entities that use financial technology in carrying out non-banking financial activities.

The Authority's Board of Directors shall also issue the standards for the establishment and licensing of the digital register, the controls governing its operation, and the technology used to secure the data recorded therein and verify its authenticity.

Data recorded on electronic means and media used by companies or entities subject to the provisions of this Law shall have the evidentiary force of official instruments.

Article (12):

The Authority shall receive complaints submitted by concerned parties who deal with practitioners of non-banking financial activities using financial technology, regarding violations of this Law or the decisions issued in implementation thereof. The Authority shall respond to such complaints within a period not exceeding one (1) month from the date on which the documents determined by the Authority have been duly completed.

A decision shall be issued by the Chairperson of the Authority regulating the procedures for submitting and deciding upon complaints and the method of notifying complainants of the response, provided that such procedures include the possibility of submitting the complaint to the Authority directly, by registered mail with acknowledgment of receipt, or by electronic means as determined by the Authority in this regard.



Article (13):

Without prejudice to the provisions of the Personal Data Protection Law promulgated by Law No. (151) of 2020, practitioners of non-banking financial activities using financial technology subject to the provisions of this Law, as well as the managers and advisers of such entities and any of their employees, shall maintain complete confidentiality regarding their customers and shall not disclose any information about them or their transactions to third parties without the customers' prior written consent or consent given by electronic means, and within the limits of such consent.

Article (14):

If companies applying financial technology techniques in carrying out non-banking financial activities violate the provisions of this Law or the decisions issued in implementation thereof, or if they lose any of the licensing conditions, or if they engage in conduct that may threaten market stability or the interests of shareholders or their clients, the Authority's Board of Directors may take one or more of the following measures:

- Issue a warning to the company to remedy the violation within the period and under the conditions specified in the warning.
- Call upon the company's board of directors or its general assembly to convene, in the presence of a representative of the Authority, to consider the alleged violations and take the necessary action to remove them.
- Dissolve the company's board of directors and appoint a commissioner to temporarily manage the company's affairs for a period not exceeding six (6) months, which may be extended for a further six (6) months. During the period of appointment, the commissioner shall refer the matter to the general assembly to appoint a new board by the prescribed legal instrument.
- Prohibit the company from carrying on the activity or entering into new contracts for a period not exceeding six (6) months.
- Revoke the license to carry out the activity.



The measures provided for in items (1) and (2) of this Article may be issued by the Chairperson of the Authority. The Chairperson may also take the measure provided for in item (4) of this Article if the danger is imminent and may result in harm that cannot be averted, for a period not exceeding one (1) month or until the matter is submitted to the Authority's Board of Directors, whichever is sooner.

The measures provided for in the laws regulating non-banking financial activities shall apply, in respect of companies and entities that have obtained the Authority's approval to carry out such activities using certain areas of financial technology, if they violate the provisions of this Law or the decisions issued in implementation thereof, without prejudice to the Authority Board of Directors' power to revoke the approval granted to such companies or entities if the aforementioned provisions are violated.

Article (15):

One or more committees shall be established to consider grievances submitted by concerned parties against administrative decisions issued in application of the provisions of this Law. The formation of each committee shall be determined by a decision of the Authority's Board of Directors. Each committee shall be chaired by one of the Vice-Presidents of the State Council and shall include as members two State Council members of at least the rank of Counsellor, nominated by the President of the State Council; a representative of the Authority nominated by the Chairperson of the Authority; and an expert member nominated by the Chairperson of the Authority. The grievant may appear before the committee in person or through a representative.

A decision of the Authority's Board of Directors shall be issued determining the committee's formation, competencies, members' remuneration, and the procedures for considering grievances.

A grievance may be submitted by hand delivery, by registered mail with acknowledgment of receipt, or by electronic means determined by the Authority's Board of Directors.

Submitting a grievance to this committee shall be mandatory before filing a lawsuit before the competent court, within sixty (60) days from the date of notification or certain knowledge thereof. The committee shall issue its decision on the grievance within a period not exceeding thirty (30) days from the date of submission. The committee's decision shall be final and reasoned.



Submission of a grievance to the committee shall suspend the statutory time limits prescribed by law for forfeiture or limitation of rights or for filing a lawsuit, until the lapse of the period prescribed for deciding the grievance.

Article (16):

Employees designated by a decision of the Minister of Justice upon the request of the Chairperson of the Authority shall have the capacity of judicial officers for the purpose of establishing crimes committed in violation of the provisions of this Law or the decisions issued in implementation thereof. In this capacity, they shall have the right to review the registers, books, documents, data, and electronic media at the premises of juristic persons holding a license or approval, as the case may be, as well as their branches and the places where such registers, books, documents, data, and media are kept. The officials of the aforementioned entities shall provide such employees with the data and copies of documents they request for this purpose and shall not withhold them except on a legal basis.

Chapter Four: Penalties

Article (17):

Without prejudice to any more severe penalty prescribed in the Penal Code or any other law, the crimes set forth in the following Articles shall be punishable by the penalties prescribed therein.

Article (18):

Any person who carries out, establishes, or manages any of the activities set forth in this Law without obtaining a license or approval, as provided for in this Law, shall be punishable by imprisonment for a term of not less than six (6) months and a fine of not less than EGP 200,000 and not more than EGP 1,000,000, or by either of these two penalties.



In the event of recidivism, the penalty shall be both imprisonment and a fine.

Article (19):

Any person who violates the provisions of Article (7) of this Law shall be punishable by a fine of not less than EGP 50,000 and not more than EGP 500,000.

Article (20):

Any person who intentionally prevents any employee of the Authority vested with judicial ضبطية (judicial officer powers) from performing any of the duties assigned to him/her pursuant to this Law, as well as any person who intentionally withholds the data, documents, or electronic media required for that purpose without a legal basis, shall be punishable by imprisonment for a term not exceeding one (1) month and by a fine of not less than EGP 20,000 and not exceeding EGP 100,000, or by either of these two penalties.

Article (21):

Any person who violates the provisions of Article (13) of this Law shall be punishable by imprisonment for a term of not less than three (3) months and by a fine of not less than EGP 200,000 and not exceeding EGP 1,000,000, or by either of these two penalties.

Fines shall be multiplied according to the number of victims.

Article (22):

The person responsible for the actual management of the juristic person shall be subject to the penalties prescribed for acts committed in violation of the provisions of this Law, where it is established that he/she had knowledge thereof and that the violation occurred as a result of his/her breach of job-related duties.



In all cases, the assets of the juristic person shall stand as security for the satisfaction of any financial penalties adjudged.

Article (23):

In addition to the penalties prescribed for the crimes set forth in the preceding Articles, the court may order that any person convicted of any of such crimes be barred from carrying out the activity in connection with which the crime was committed, for a period not exceeding five (5) years.

Such bar shall be mandatory in the event of recidivism.

Article (24):

No investigation procedures shall be initiated, nor shall a criminal action be instituted, in respect of the crimes provided for in this Law, except upon a written request from the Chairperson of the Authority.

The Chairperson of the Authority may settle (reconcile) in respect of such crimes at any stage of the proceedings, in consideration of the payment of a sum to the Authority of not less than twice the minimum fine. Such a settlement shall result in the extinction of the criminal action in respect of the crime settled. Where a settlement is reached during the execution of a sentence—even after the judgment has become final—the Public Prosecution shall order the suspension of execution of the penalty.

