

KINGDOM OF SAUDI ARABIA

Capital Market Authority

**The Procedures Guide for Public Consultation on the
Implementing Regulations Projects**

English Translation of the Official Arabic Text

**Issued by the Board of the Capital Market Authority
Pursuant to Resolution Number 2-20-2014 Dated 09/06/1435H
corresponding to 09/04/2014G Based on the Capital Market Law
issued by Royal Decree No. M/30 dated 02/06/1424H**

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of the Capital Market Authority Number 1-109-2018
Dated 29/01/1440H Corresponding to 09/10/2018G**

Arabic is the official language of the Capital Market Authority

**Important Notice: The current version of this Guide, as may be amended, can be
found at the Authority website: www.cma.org.sa**

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Part 1: General Provisions

Article 1: Preliminary Provisions

- a) The purpose of this Guide is to regulate the public consultation process in respect of any implementing regulations project, prior to issuing or amending it.
- b) Prior to consulting the public, the Authority shall consult experts in relation to any implementing regulations project prior to issuing or amending it, when needed.

Article 2: Definitions

- a) Any reference to the “Capital Market Law” in this Guide shall mean the Capital Market Law issued by the Royal Decree No. M/30 dated 2/6/1424H.
- b) Without prejudice to paragraph (c) of this Article, expressions and terms in this Guide have the meaning which they bear in the Capital Market Law and in the Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority, unless the contrary intention appears.
- c) For the purpose of implementing this Guide, the following expressions and terms shall have the meaning they bear as follows, unless the contrary intention appears.:
 - **Public Consultation:** A request for public comments on an implementing regulations project.

- **Public Comments Report:** A report summarizing the comments received by the Authority in relation to an implementing regulations project.
- **The Guide:** The Procedures Guide for Public Consultation on the Implementing Regulations Projects.
- **Public:** All who are invited to provide comments on an Implementing Regulations project, including, but not limited to, government entities, authorities, public institutions, the Exchange the Depository Center, all participating parties in the Exchange including listed joint stock companies, Authorised Persons, investment corporations, private and public funds, professional companies, individual investors and any other person who has access to the Authority's announcement inviting for providing comments on an Implementing Regulations project.
- **Implementing Regulations:** Rules, instructions and procedures issued by the Authority for the implementation of the provisions of the Capital Market Law or any other law as per the powers vested in the Authority.
- **Implementing Regulations Project:** Each project that includes issuing or amending an Implementing Regulations.
- **Public Comments:** Opinions, comments and suggestions related to an Implementing Regulations project, requested or received by the Authority.
- **Publishing Public Comments:** Publishing the public comments received on an Implementing Regulations project, as specified in Article (7) of this Guide.

Part 2: Public Consultation

Article 3: Public Consultation

- a) The Authority shall carry out a public consultation in relation to any new Implementing Regulations project prior to issuing it.
- b) The Authority shall determine the need to carry out a public consultation in relation to any project related to amending an existing Implementing Regulations, taking into consideration the scope of such amendment and its expected impact.

Article 4: Public Consultation Methods

The public consultation shall be made through the Authority's website, and the available methods for public consultations include the following:

1. Publishing the Implementing Regulations draft on the Authority's website.
2. Publishing a questionnaire to the public that covers the operational and technical aspects of the project.
3. Publishing a public consultation memorandum that summarizes the Implementing Regulations project and contains a list of questions.
4. Any other method as the Authority may specify.

Article 5: Public Consultation Period

The period of public consultation on an Implementing Regulations project shall be (30) calendar days, unless the Authority determines otherwise in line with the nature of the project.

Article 6: Receiving Public Comments

Receiving public comments on an Implementing Regulations project shall be through one of the following channels:

1. The link provided in the announcement inviting for public consultation.
2. The communication channels specified in the announcement inviting for public consultation.
3. Any other channel as the Authority may specify.

Part 3: Publishing Public Comments

Article 7: Publishing Public Comments

- a) Upon the issuance of a Board resolution to approve the implementing Regulations and the method of publishing the comments received from the public, the Authority shall publish on its website a summary of the major public comments it received in relation to the final draft of the Implementing Regulations project.
- b) Publishing the public comments shall be made in any manner the Authority deems appropriate, including, but not limited to, publishing the major comments received from the public in the press release or announcement in which issuance of the relevant Implementing Regulations is announced; publishing the original text of the comments as received by the Authority; or by preparing a public comments report.

Article 8: Participants' Names and Information Confidentiality

The Authority shall, along with publishing the public comments as per Article (7) of this Guide, publish the names and personal information of the participants in the public consultation, unless a participant (natural or legal person) requests not to publish such information, or if the Authority, as the case may be, decides not to publish such person's name or personal information.

Part 4: Entry Into Force

Article 9: Entry Into Force

This Guide shall be effective in accordance to its approval resolution.