

FRA Issues Decree for New Regulations Governing Licensed Insurance Brokers on Digital Platforms

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Introduction

On the 25th of September 2025, the Financial Regulatory Authority (“**FRA**”) issued Decree No. 198 of 2025 (the “**Decree**”) setting out a comprehensive regulatory framework governing the digital conduct of business by licensed insurance brokerage companies (the “**Intermediaries**”).

The Decree was published in the official Gazette and came into effect on the 26th of September 2025.

We shall delve into the key highlights of the Decree as follows:

Key Highlights

The Decree requires that Intermediaries seeking to conduct their business digitally must obtain approval from FRA and meet the following requirements:

- Hold a valid FRA license to engage in insurance brokerage activities.
- Submit a board approved business plan demonstrating the digital operations and identifying the potential insurance companies who will be partnered with.
- Specify the services and insurance products offered online to clients.
- Adhere to comply with the cybersecurity requirements set out by FRA.
- Adhere to comply with requirements set by FRA concerning digital services.
- Provide FRA with a live demonstration of the digital platform and the services offered therein, along with the results of penetration and vulnerability tests conducted on the platform.

The Decree mandates certain digital operations and integration

All digital processes, including issuing insurance quotations, submitting applications and issuing policies must be carried out instantaneously through real time API connectivity between the intermediary and the insurer.

Intermediaries must also ensure that insurers have the required technological infrastructure to support secure and real-time data exchange.

Data Protection and Confidentiality

Intermediaries must store all client data and insurer data on secure servers and to maintain strict confidentiality obligations, refraining from disclosing any information to third parties except as permitted by law.

The Decree mandates ongoing obligations on Intermediaries, such as:

- Placing FRA license and digital approval details on their platforms.
- Placing all services offered to clients on their platforms.
- Obtain clients’ consents before issuing policies.
- List all integrated insurance companies.
- Provide customer service access through the platform.
- Offer neutral product comparison tools showing coverage terms, exclusions, and pricing to allow customers to compare products transparently.
- Not to collect premiums into personal accounts, collections must occur through authorized electronic channels.
- Perform penetration tests annually and after major system changes.
- Conduct vulnerability tests quarterly and after system updates.

- Regularly update and maintain the digital platform.
- Provide any additional data or documents requested by the FRA.

Market reaction

According to [Egyptian Media](#), this Decree outlined the commitment of the FRA to promote digital transformation in the non-banking financial sector and providing a regulatory environment that supports the use of financial technology in the field of insurance, aiming to strengthen a regulatory oversight of digital insurance activities. Hence, it improves the efficiency of the insurance market, contributing to expanding insurance coverage and promotes insurance, investment and financial inclusion and access.

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