



Payment Services Regulation (Licensing and Regulating Payment Service Providers)

PAYMENT SERVICES REGULATION (For Licensing and Regulating Payment Service Providers)

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Payment Services Regulation

(For Licensing and Regulating Payment Service Providers)

Issued in pursuance of the terms of Articles (71), (72), and (73) of "The Law of the Qatar Central Bank and the Regulation of Financial Institutions" No. (13) of 2012.

PART A (Definitions, Purpose and Scope)

(1) Short title and commencement

The instructions set forth herein are titled the "Payment Services Regulation" for 2021, and shall enter into force as of 15/09/2021.

(2) Definitions

For the purpose of this regulation, the following terms are defined as follows, unless the context otherwise suggests.

QCB Law	Law of the Qatar Central Bank and the Regulation of Financial Institutions " No. (13) of 2012.
Person	Any natural or legal person.
Payment services	The activities defined in section 5 of this regulation.
Exempted payment services	The activities defined in section 6 of this regulation for which provisions of this regulation do not apply.
Payment service provider	A person carrying on the business of providing any payment service.
E-money	E-money is a payment instrument that contains monetary value that is paid in advance by the user to the e-money issuer.
e-wallet	A virtual electronic wallet that stores payment card/ e-money information on a mobile/internet device for facilitating its users to execute payment transactions in a convenient way.
Licensee	An entity authorized to provide payment services within or from Qatar
Consumer	A person who, in contracts for payment service providers to which this regulations apply, is acting for purposes other than a trade, business or profession.
Merchant	A persons who, in contracts for payment service providers to which this regulations apply, is acting for the purpose of trade, business or profession.
Customer	A consumer or a merchant who, in contracts for payment service providers to which this regulations apply.
Licensed bank	A bank licensed under QCB Law to practice banking activities.

Licensed exchange house	A company licensed under QCB Law to practice exchange activities without receiving deposits
Payment transaction	An act initiated by the payer or payee, or on behalf of the payer, of placing, transferring or withdrawing funds, irrespective of any underlying obligations between the payer and payee.
Payer	A person who initiates, or consents to the initiation of, a payment transaction.
Payee	A person who is the intended recipient of funds which have been the subject of a payment transaction.
Payment accounts	Accounts held in the name of one or more payment service users which is used for the execution of payment transactions.
Agent	A person or entity who acts on behalf of a licensee in the provision of payment services.

(3) Purpose

3.1 To provide a framework for the regulation and oversight of persons or entities providing payment services within or from Qatar to ensure that all payment and settlement systems operating in the country are safe, secure, and efficient.

(4) Scope

4.1 This regulation applies to any payment services having the following characteristics: the services that have a clear payments nexus and pose systemic risk to the financial system, the service providers' process funds or acquire transactions for merchants, and the service providers contract or deal with the consumer or the merchant.

4.2 A person or entity must not carry on a business of providing any type of payment service having characteristics specified in section (4.1) of this regulation within or from Qatar, unless the person has in force a licence that entitles the person to carry on a business of providing that type of payment service or the person is exempted payment service provider in respect of that type of payment service.

4.3 A bank licensed under QCB Law is exempted from the requirement to have a new licence to carry on a business of providing any payment service that the bank is currently offering.

- 4.4 All exempted payment service providers (licensed banks) must seek QCB approval for offering any new payment services listed in section (5) of this regulation.
- 4.5 All exempted payment service providers will continue to be regulated by the respective QCB Laws, and the provisions of sections 10 to 24 of Part B, of this regulation apply to an exempted payment service provider in respect to providing any payment services listed in section (5) of this regulation.
- 4.6 All exempted payment service providers must report to the QCB, the payment services that they are currently offering with proof of compliance to the relevant provisions of this regulation within three months from the entry into force of this regulation.
- 4.7 All existing non-bank payment service providers must comply with the provisions of this regulation in respect to providing any payment services listed in section (5) of this regulation within three months from the entry into force of this regulation and obtain a license from QCB to provide such services.
- 4.8 Any person who contravenes the provisions of this Regulation shall be subject to the financial sanction established in QCB Law and in AML/CFT Rule promulgated by Law No. 20 of 2019, or any other law in force.
- 4.9 For the purpose of this regulation, the term ‘licensee’ refers to ‘entities’ authorized to provide payment services in Qatar.

(5) Regulated Payment Services

For the application of this regulation, the following services are defined as regulated payment services and any person providing such services must obtain prior authorization from QCB for providing such services.

- a. Issuance of e-money;
- b. Merchant acquisition;
- c. Domestic money transfer; and
- d. Any other payment services with one or more characteristics defined in section 4.1 but not included in section (6).

5.1 Issuance of e-money

E-money issuance service refers to the service of issuing electronic money (e-money) to any person for the purpose of allowing a person to make payment transactions. e-money is a payment instrument that contains monetary value that is paid in advance by the user to the e-money issuer. The user of e-

money can make payments for purchases of goods and services to merchants who accept the e-money as payment.

E-money can be issued in different forms, such as card-based (e.g. prepaid cards) and network-based which can be accessible via the internet, mobile phones or any other devices

(in cases of providing mobile wallet services, in addition to the instructions given in this regulation, the instructions for the mobile payment service shall also be applied)

5.2 Merchant acquisition service

Merchant acquisition service refers to any service of accepting and processing a payment transaction for a merchant under a contract between the provider of the service and the merchant, which results in a transfer of money to the merchant pursuant to the payment transaction, regardless whether the provider of the service comes into possession of any money in respect of the payment transaction, in a case where —

- a) The merchant carries on business in Qatar, or is incorporated, formed or registered in Qatar;
or
- b) The contract between the provider of the service and the merchant is entered into in Qatar.

The examples of merchant acquisition services include providing online payment gateway service for facilitating acceptance of electronic payments and processing such transactions, and acquiring card payments, acquiring Quick Response Code (QR Code) based payments, etc.

5.3 Domestic money transfer

Domestic money transfer refers to the service of transferring money from a payment account held with a licensed bank or a licensed e-money issuer in Qatar to another payment account held with a licensed bank or a licensed e-money issuer in Qatar, in any case where neither the payer nor the payee is a financial institution.

The examples of domestic money transfer services include the following:

- a) A payment transaction executed from, by way of or through a payment account;
- b) A direct debit (pre-authorized debit) through a payment account;
- c) A direct credit (pre-authorized credit) through a payment account;

Payment accounts include e-money accounts, current, savings and other accounts which can be used for making payments. The domestic money transfer service provider initiates a payment transaction at the request of its customer who can be a payee or payer.

The licensees authorised to provide domestic money transfer service should not hold any customer money unless it is an authorised e-money issuer or a licensed bank.

5.4 Other Regulated Payment Services

Other payment services include any service that have a clear payments nexus or the service providers process funds or acquire transactions for merchants, and the service providers contract or deal with the consumer or the merchant. Examples include (but not limited to)

- a) Providing account information services (Account aggregation, reporting of account information etc.)
- b) Providing payment gateway infrastructure such as National Switches, ATM/POS switches for specific card network, etc. to the licensed payment service providers to transmit their payment transactions.
- c) Providing settlement services to the licensed payment service providers to settle transactions with external institutions (card networks, e-wallet providers etc.)
- d) Owning or operating any ATM or Kiosk.
- e) Operating any other systemically important electronic payment systems, whether those systems are local or international, but operate in the State of Qatar

No payment service provider shall contract with any person in or out of Qatar for providing cross-border money transfer service unless it has already obtained an exchange house license from QCB. However, PSPs licensed to issue e-money accounts and domestic money transfer may permit their customers to make cross-border remittance from e-money accounts through licensed exchange houses or local banks. In such cases, the exchange house is required to initiate the transaction on behalf of the customer similar to the remittance using debit cards.

(6) Exempted Payment Services

The following services are not payment services for the purposes of this regulation.

6.1 Any service, provided by any technical service provider that supports the provision of any payment service, but does not at any time enter into possession of any money under that payment service, including (but not limited to) any of the following services:

1. The service of processing and storing data;
2. Any information technology security, trust or privacy protection service;
3. Any information technology service;

4. The service of providing a communication network;
 5. The service of providing and maintaining any terminal or device used for any payment service;
- 6.2 Issuance of closed prepaid payment instruments that are issued for facilitating the purchase of goods and services only from the issuer for limited purposes and that do not permit cash withdrawal or redemption (Eg:-brand specific gift cards, membership cards, prepaid cards issued by utility service providers such as fuel cards, public transport cards, parking ticketing, meal vouchers, etc.) are exempted from this regulation. The issuer of such instruments shall inform the QCB about issuance of such instruments. QCB will have the right to call for any information related to such issuance from the issuer.

PART B (Conditions for licensing)

(7) Office

- 7.1 A licensee must maintain (a) its head office; or (b) a registered office in Qatar.
- 7.2 A licensee must keep at the licensee's permanent place of business or registered office, books of all the licensee's transactions in relation to any payment service provided by the licensee.
- 7.3 If the licensee is a corporate body which has head office outside Qatar, a no objection certificate must be obtained from the concerned foreign regulator to open office and carryout payment service business in Qatar.
- 7.4 If the licensee is providing any payment service outside Qatar, the service provider shall have obtained a license from the country of its head offices and it must be subjected to the supervision and control of the concerned foreign regulator. A certificate of confirmation that the licensee is in good regulatory standing and is in compliance with applicable supervisory requirements must be produced from the concerned foreign regulator.

(8) Governance

- 8.1 BOD members, major shareholders (who hold 5% or more of the shares) and senior staff in the company.
 - a) BOD members and major shareholders shall be deemed to be a "fit and proper" person if:
 - i. Such person has a record of fairness and integrity.
 - ii. Such person has not convicted for any offence involving moral turpitude.
 - iii. Such person has not been prohibited or debarred from accessing or dealing in any financial system, by any regulatory authority;
 - iv. Such person has not declared insolvent and not discharged;
 - v. Such person is financially sound.

- 8.2 Its directors and persons responsible for the management of its payment services business are of good repute and possess appropriate knowledge and experience to provide payment services and pose no undue risks to the licensee.
- 8.3 The entity responsible for managing the conduct of the licensee must be resident in Qatar.
- 8.4 It has a business plan (including for the first three years, a forecast budget calculation) under which appropriate and proportionate systems, resources and procedures will be employed by the institution to operate soundly.
- 8.5 It must establish and update internal corporate governance arrangements on an ongoing basis, and must include - as a minimum – the following:
- 1) Description of the organizational structure, including all departments, sections, or jobs, details of their duties and responsibilities and the names of their officials, and the identification of the responsible persons in the higher management and every person and department that carries out the control functions or duties.
 - 2) The policies, procedures and controls necessary to ensure the definition and clarification of the roles and responsibilities assigned to the administrative structure, its members and senior management, and every person who carries out control functions or duties.
 - 3) The policies, procedures and controls necessary to ensure the independence of the jobs and duties managed by the people responsible for the control functions and duties, and the separation of the duties associated with them and their administrative subordination.
 - 4) Compensation and bonus policies and procedures.
 - 5) Conflict of Interest controls.
 - 6) Controls of integrity and transparency of the operational activities of the payment service provider.
 - 7) Controls to ensure compliance with applicable laws and regulations.
 - 8) Methods for maintaining the confidentiality of information.
 - 9) Controls to ensure fairness in operations, including requirements regarding client protection.
 - 10) Adequate internal control mechanisms, including sound administrative, risk management and accounting procedures, which are comprehensive and proportionate to the nature, scale and complexity of payment services to be provided by the institution.
 - 11) A statement of the security policy, including a detailed risk assessment of the payment service provided that includes risks of fraud and risks exposure to sensitive personal data.
A description of the security controls in general as per the risks identified in the risk assessment exercise, as well as the protection measures on of the systems, applications and infrastructure.

- 12) Necessary arrangements for the periodic review and follow-up of all governance policies, procedures, and relevant systems and controls.
- 13) General framework of AML/CFT, which includes but not limited to, Anti-Money Laundering/Combating Financing of Terrorism and Financing of Weapons of Mass Destruction Proliferation guidelines; the applied mechanism for risk-based methodology for Anti-Money Laundering/ Combating of Financing Terrorism and Weapons of Mass Destruction Proliferation; as well as the Bionic systems to be applied for the purposes of controlling and anti-money laundering/ combating financing of terrorism.

8.6 If any licensee desires to make any amendments relating to any of the items of the licensee’s establishment contract or articles of incorporation, it must obtain QCB prior approval before moving these amendments, together with the reasons for the amendment. There shall be no contradictions between the amended items and the QCB Law.

(9) Legal Form, Capital and supervisory requirements

9.1 The licensee must maintain the capital at all times as prescribed below.

Category	Payment Services	Size- Transactions per Month	Legal Form, Capital and supervisory requirements
Category I (Licensees hold customer money)	Issuance of E-Money/ Merchant Acquisition	(Small- less than 500 thousands transactions)	Qatar Limited Liability or Shareholding Company. QR. 2 Million or 2% of the average outstanding electronic money issued and the average outstanding merchant transactions acquired by the licensee for the preceding ninety days, whichever is higher
		(Medium- 500 thousands to 1 Million)	Qatar Limited Liability or Shareholding Company. QR. 5 Million or 2% of the average outstanding electronic money issued and the average outstanding merchant transactions acquired by the licensee for the preceding ninety days, whichever is higher

		(Large- More than 1 Million)	Qatar Shareholding Company. QR. 10 Million or 2% of the average outstanding electronic money issued and the average outstanding merchant transactions acquired by the licensee for the preceding ninety days, whichever is higher
Category II (Licensees do not hold any customer money)	Other Payment Services		Qatar Limited Liability or Shareholding Company. QR. 2 Million.

- 9.2 Where a licensee undertakes more than one payment service, the capital requirements to be calculated as the sum of the capital required in each category of payment services, which it provides.
- 9.3 Where a licensee is a startup and not completed a full financial year's business, references to a figure for the preceding ninety days are to be read as the equivalent figure projected in the business plan provided.
- 9.4 The average outstanding electronic money issued and the average outstanding merchant transactions acquired for the purpose of capital calculation should be based on daily positions.
- 9.5 The capital shall consist of paid-up equity capital, preference shares that are convertible to equity, free reserves, balance in share premium account, and capital reserves representing surplus arising out of sale proceeds of assets. Reserves created by revaluation of assets adjusted for accumulated loss balance, the book value of intangible assets and deferred revenue expenditure shall not be included in the capital.
- 9.6 Where a licensee which carries out activities other than providing payment services must not include in its capital calculation any item used in an equivalent calculation in carrying out those activities.
- 9.7 The licensees must upfront provide evidence that the licensee holds a capital.

- 9.8 The existing non-bank payment service providers that are not able to comply with the capital requirements within three months shall either reduce their payment business proportional to its net-worth or wind-up the payment service business.
- 9.9 In the case of PSPs included in category II, depending on the type of services, QCB may prescribe higher capital requirements.

(10) Performance Guaranty

- 10.1 Every licensed non-bank payment service provider must maintain a security deposit of an amount not less than 2% of the capital requirement specified in section 9.1 with a QCB licensed bank or provide a bank guarantee for an equivalent amount, for the due performance of the obligations of the licensee to every payment service user client and also to guaranty that payment service provider adheres to instructions within the regulations

(11) Risk Management

- 11.1 The licensee must establish an appropriate risk management framework including governance structure, policies, procedures and controls to manage risks associated with the payment services, and the same must be reviewed and updated annually.
- 11.2 While setting up the policies, procedures and controls, the licensee must consider the types of activities it performs, the scope, nature, and complexity of its business model, any operational challenges and the degree of risk associated with its operations.
- 11.3 It must have effective procedures to identify, manage, monitor and report all types of risks to which it might be exposed including operational risk, cybersecurity/information risk, settlement risk, market risk, legal risk, reputational risk, business risk and AML/CFT risk.
- 11.4 The licensee must establish appropriate risk management infrastructure and processes to mitigate operational risk arises from the potential loss due to inadequate or failed internal processes, people and systems, external factors, and frauds.
- 11.5 Measures established to ensure operational reliability must include, but are not limited to, the following:
- a. The system is robust in its design, development, testing, implementation and monitoring;
 - b. Strong internal controls for systems and personnel administration;
 - c. Comprehensive and well-documented operational and technical procedures to ensure operational reliability;

- d. System should be designed with sufficient capacity, which is monitored and upgraded ahead of business changes;
- e. The system has the capacity to provide timely and accurate audit trail, statistical information and reports;
- f. Adequate information and accounting systems, proper reconciliation process and accounting treatment for transactions

11.6 The licensee must have robust and well-tested business continuity and disaster recovery arrangements to ensure uninterrupted service.

(12) Information Security

12.1 The licensee must demonstrate a sound information security practice that includes a proper governance structure to manage information and operations.

12.2 The licensee must implement an effective information security governance and risk management framework that will be able to actively identify, assess, mitigate and monitor security risks. It shall also address protection of data confidentiality, integrity and availability issues.

12.3 The licensee must have an effective fraud detection and resolution mechanism that includes cyber fraud controls on fraudulent digital transactions.

12.4 The operational and security control safeguards implemented must be commensurate with the risk, scale and complexity of the payment services offered by the licensee.

12.5 The licensee must ensure that it has resources and capacity in terms of skilled manpower, hardware, software and other operating capabilities to deliver consistently reliable service.

12.6 The licensee shall demonstrate a resilient security architecture implementation model and an audited infrastructure with specific reports.

12.7 Licensee shall ensure that all their customers and partners are aware of security risk and mitigation requirements.

12.8 The licensee must comply with the relevant provisions of QCB circulars on technology risk issued to the financial institutions, specifically the controls stipulated in the regulation on Information and Cyber Security for Fintech, as well as international standards such as PCI-DSS.

12.9 The licensee has an obligation of reporting on security incidents and issues to the regulator (QCB) as defined in the technology risk regulation.

12.10 The licensee must comply with the security principles for e-KYC issued by QCB, represented in the issued instructions of AML/CFT and the guidelines when on-boarding customers digitally.

(13) Settlement Risk

- 13.1 The licensee must put in place sound clearing and settlement arrangements to mitigate any credit or liquidity risks arising out of providing payment services.
- 13.2 All transactions between accounts/payment instruments issued in Qatar must be settled in Qatar.
- 13.3 If settlement involves a foreign entity, the licensee must exercise at the most due diligence while entering into such settlement agreement to ensure that the interest of its customers and other stakeholders in Qatar is protected.
- 13.4 The foreign entity providing such settlement services must be a regulated entity.
- 13.5 The licensee must incorporate appropriate measures in the settlement agreement to address the liquidity risks, credit risks and other relevant risks.
- 13.6 The licensee must report details of such agreements to QCB whenever such settlement agreements with foreign entities are executed.

(14) Interoperability

- 14.1 The licensees may adopt common global standards while developing payment infrastructure in order to ensure interoperability between different payment systems operated by different payment service providers.
- 14.2 QCB may direct payment service providers to adopt specific standards for specific services, as per the terms and conditions that QCB may consider appropriate, to ensure interoperability in the interest of the public and every payment service provider.
- 14.3 The licensees may enter into multilateral arrangements between banks and other payment service providers and create Switches / Inter-bank Payment Gateways for facilitating interoperability of payment services only with a prior permission from QCB.

(15) Outsourcing

- 15.1 A licensee that outsources any activity to support its operations should ensure regular due diligence on the outsourcing service provider is carried out (identity, legal status, activities, financial position, etc.) and obtain a prior consent from QCB.
- 15.2 A licensee must perform due diligence review on the capabilities and expertise of the outsourcing service provider prior to the selection (in terms of risk management capabilities, experience in the outsourced activities, etc.)
- 15.3 A licensee must periodically review the suitability and performance of the outsourcing service providers.
- 15.4 A licensee must obtain approval from its Board of Directors to outsource any function and must document it.
- 15.5 A licensee must put in place proper mechanisms to ensure the confidentiality and security of information that the outsourcing service provider may have access to.
- 15.6 A licensee must put in place proper reporting and monitoring mechanisms to ensure that the integrity and quality of work conducted by the outsourcing service provider is maintained;
- 15.7 The external and internal auditors of the licensee must be able to review the books and internal controls of the outsourcing service provider. Any weaknesses highlighted during the audit must be well documented and promptly rectified, especially where such weaknesses may affect the integrity of the internal controls of the licensee;
- 15.8 A licensee must also have a contingency plan in the event that the arrangement with the outsourcing service provider is suddenly terminated. This is to mitigate any significant disruption in the operation of the payment service scheme.
- 15.9 A licensee must have a service agreement with the outsourcing service provider. The service agreement should be comprehensive and contain minimum the following:
 - a clause on professional ethics and conduct in performing their duties;
 - clearly defined roles and responsibilities of the outsourcing service provider;
 - robust confidentiality and security procedures and controls;
 - sound business continuity management procedures;
 - The licensee has the right to terminate the services of the outsourcing service provider if it fails to comply with the conditions imposed; and

- QCB has the right to audit the outsourcing service provider's accounts.

15.10 The licensee shall be responsible as the principal for all the acts of omission or commission of their outsourcing service providers.

15.11 The functions of Compliance and AML/CFT Department may not be outsourced.

(16) Appointing Agents

16.1 A licensee may provide any of the licensed payment services in Qatar through an agent subject to the following conditions:

1. The licensee must obtain prior approval from QCB to appoint an agent.
2. The licensee shall not engage in co-branding with any agent unless the agent has a QCB license to provide such payment services.
3. The contractual agreement for providing payment services shall be executed between the licensee and its customers. The agent's role, in this regard, may be limited to facilitating the execution of contract between the licensee and the customer.
4. The licensee must carry out proper due diligence of the persons before appointing any person as an agent to provide the permitted services.
5. The licensee shall be responsible for all the services provided by their agents and is obliged to monitor and follow up with all the operations conducted by the agent. In addition, it shall set forth all the controls required for observing the agent's activities.
6. The licensee shall be responsible as the principal for all the acts of any omission or commission by their agents.
7. The licensee shall provide QCB with the information relevant to its agents according to the template determined for this purpose.
8. The licensee shall regulate its relationship with the agent under a written agreement stipulating the roles and responsibilities of each party. Such agreement shall enable the service provider to practice proper control over the agent's service-related practices.

(17) Know Your Customer (KYC), Anti-Money Laundering (AML), Combating Financing of Terrorism (CFT) and Financing of Weapons of Mass Destruction Proliferation

17.1 The provisions of Law no. (20) of 2019 on Combating Money Laundering and Terrorism Financing, Law no. (27) of 2019 on Combating Terrorism, the instructions of AML/CFT issued in

May 2020, QCB guidelines and any other circulations issued by the controllers and law enforcement bodies in Qatar must be implemented by all licensed payment service providers.

17.2 The payment service provider must use one of the following documents or any superseding documents QCB requires for KYC purposes:

1. Citizens and residents: The ID card issued by the Ministry of Interior with ID number as unique customer identity;
2. Companies: a valid commercial registration certificate with the registration number as unique customer identity;
3. Visitors/ Non-residents: a valid passport and the passport number as a unique customer identity;
4. For issuing e-money to minors: The ID card issued by the Ministry of Interior with the consent of the guardian.

17.3 In order to facilitate faster adoption of digital payments in the state, a licensee may provide payment services involving small transactions to the new customers initially by performing an e-KYC procedure (including but not limited to verifications of the mobile number using One Time Password (OTP) , receiving an electronic copy of one of the documents prescribed in section 17.2, phone verification, biometric authentication, etc.) without compromising the requirements of Anti-Money Laundering/Combating Financing of Terrorism/ Financing of Weapons of Mass Destruction Proliferation and the requirements of managing other risks . The e-KYC procedure must follow the requirements defined in section 12.9 on e-KYC security principles. However, full KYC and update of a customer’s identity and data must be done within 1 year or whenever the customer wanted to increase the transaction limit whichever is earlier. The limits on number of transactions and maximum balance in the payment accounts of customers on-boarded through such e-KYC shall be defined as per the licensee’s board approved policy, but subject to the overall limit defined by QCB.

17.4 A licensee providing e-money service or merchant acquisition service must exercise customer due diligence on potential merchants who apply to participate in its scheme. The licensee must look into the merchant’s background to ascertain that the merchant is not a front for criminal or illegal activities. Qatar Central Bank approval must be obtained when adding any new merchant within the payment service provider’s systems according to the form approved for this purpose, including (name of the merchant / company, address, website of the merchant,

phone numbers, a copy of a valid commercial register, nature of work and the services / products to be provided.

- 17.5 A licensee must ensure that all transactions in Qatar are carried out in Qatari Riyal.
- 17.6 Without prejudice to the relevant provisions of section no. 17.1 on the General Principle of KYC within the Instructions of Anti-money Laundering and Combatting of Terrorism issued in May 2020, a service provider must have customer identification documents and the necessary data and information that validate their identity when establishing a business relationship with the customers for the first time.
- 17.7 The service provider must establish a customer acceptance policy, taking into account all factors related to the customers, their business and any other indicators related to customer risks.

(18) Customer rights Protection

- 18.1 A licensee must ensure that the rights and responsibilities of all its customers/stakeholders (e.g. users and merchants) together with the legal obligations of each party are clearly set out in the relevant contractual documents. Any dispute shall be resolved by reference to the Qatari Law and falls within the jurisdiction of Qatari courts.
- 18.2 A licensee must provide all important terms and conditions for the use of the service in clear and simple language (preferably in English and Arabic) comprehensible to the users while contracting for providing the service and must obtain an acknowledgement from its users and merchants prior to their participation in the scheme. Any change to the contract must be notified to its customers within a period of not less than 15 calendar days from the date of implementing these changes.
- 18.3 The licensee must include a clause in the service contract that the licensee is not responsible for any mistakes made by the payment services customer in case the customer initiates a payment process using incorrect beneficiary (the payee) details or incorrect bank details. However, the payment service provider must make reasonable efforts to recover funds from the wrong recipient of funds, and the payment service provider may charge a fee to the payment services customer if the fee is written in the contract between the two parties. The payment service provider must cooperate effectively with the customer to get the money back as far as possible.

- 18.4 In the event of disputes arising between payment service provider and any of its customers, the licensee shall make all reasonable attempts to resolve this dispute. In cases where these disputes cannot be resolved, QCB can be referred to, in writing, to take a decision in this regard.
- 18.5 The licensee must put in place measures to address customer protection, education and privacy. The measures should include, but not limited to, the following:
1. Publish its client charter, at the minimum, that includes its commitment towards ensuring safe operations, privacy of customer information, reliable and quality of services, transparency of product and services, fees and charges, the time frame for execution of various services such as fund transfer, refund, complaints, disputes resolution, etc.;
 2. The legal name, registered address and contact details of the licensee must be displayed clearly on its website;
 3. User approval on the client charter must be obtained before the execution of any payment transaction;
 4. All payment transactions must be executed in a secured manner after obtaining appropriate user authentication;
 5. If the licensee is unable to execute the payment transaction in a timely manner, the customer must be informed immediately of the expected time to fulfil this request.
 6. When the licensee finds out or knows about a fault, malfunction, or deficiency in its systems, it must investigate and, if necessary, return the payments to all clients affected by this error within two business days.
 7. A system to address complaints or queries raised by users (customer service telephone numbers and website address) and a dispute resolution mechanism are available.
 8. Adequate warning statements are provided to users and merchants on the risks of loss arising from the insolvency of the issuer, lost or stolen e-money instruments, or fraudulent transactions.
 9. All information provided by the licensee must be made available in an easily accessible manner (including by mail or electronically via e-mail, website, or mobile applications) in clear and understandable words in Arabic or any other language that have been agreed upon between the licensee and its clients.
 10. A licensee must ensure that the advertising or promotional material for its payment services is not misleading or exaggerated. All texts and numbers in these materials must be clearly visible and understandable, with a readable font size for all texts including footnotes.

18.6 Any dispute involving more than one payment service provider or financial institution shall be resolved through the following process:

1. QCB may establish a committee to evaluate and settle disputes between payment service providers.
2. Any dispute between the payment service providers may be submitted to the committee
3. The committee may verify, evaluate, and settle the submitted disputes.
4. It may also issue decisions based on its evaluation of the disputes, and direct the concerned QCB employees or the employees of PSP's companies to take specific actions based on the results of the investigation.
5. The committee is composed of members appointed by QCB who have relevant knowledge and experience, and it is not permissible for any of the members to be personally liable for licensing or supervising any of the payment service providers.

(19) Access to QCB Operated Payment Systems

19.1 Licensees who require access to QCB operated payment system for providing the licensed payment services (for switching transaction between banks in Qatar, or to any external payment network or any associated settlements) must ensure that they have a robust internal technological infrastructure to provide services on an uninterrupted basis (24 X 7 days and 365 days in the year) in a safe and secured manner without posing any risk to the overall functioning of the payment system. They must provide evidence of a proper security implementation as defined in section 12 of this PSR.

19.2 Access to QCB operated payment systems will be further subject to satisfying the rules and regulations governing the concerned payment system.

19.3 QCB may, at its sole discretion, direct a licensed payment service provider to use a particular QCB operated payment system for switching or settling of transactions to ensure the interoperability of the payment services in the public interest.

(20) Audit

20.1 Article (131) of QCB Law requires that licensees appoint an external auditor, subject to QCB's prior approval. The licensee must meet the minimum requirements regarding auditors referred to in Articles no. (132), (133), (134) and (148) of QCB Law.

20.2 Non-bank licensees issuing e-money or carrying on business merchant acquisition must perform an independent audit on the operations of clients' money account (ESCROW Account) every 6 months and submit the report to QCB.

(21) Information/Reporting Requirements

- 21.1 A licensee must retain all records and documents relating to its business in Qatar in a safe and secure manner.
- 21.2 A licensee must store, in a secure and safe manner, all records and documents relevant to any payment transaction and any other permitted business at least 15 years since the transaction was executed or since the service provider broke off its business relationship with the client. Records must be recoverable and reusable if needed and can be transposed to a new technology when the previous technology comes closer to reach an obsolescence.
- 21.3 A licensee must organize the accounts according to the recognized accounting standards, as well as prepare the financial statements comprehensively in a manner that reflects the reality of the economic status while abiding by any further requirements specified by Qatar Central Bank to this effect.
- 21.4 A licensee must keep log files/ audit trails for all the financial transactions according to the relevant laws and legislations.
- 21.5 A licensee must provide the Bank's inspectors with all the information they require and allow them to have access to all books, accounts, documents and data through online or offline modes.
- 21.6 A licensee must submit the following periodic reports to QCB:
- a) Its annual audited financial statements no later than three months after the end of its financial year.
 - b) Quarterly statistical report on the operation of each licensed payment service in the prescribed format no later than the 15th day of the quarter ending.
 - c) Quarterly report on customer complaints and incidents that affected payment services, as well as frauds in the prescribed format no later than the 15th day of the quarter ending.
 - d) Any civil or criminal prosecution against the payment service provider must be reported immediately.
 - e) Any other requirements specified by QCB at the time of issuing the license or at a later date;
- 21.7 A licensee must report instances of frauds along with the modus-operandi adopted by the perpetrators immediately to the Financial Investigation Unit of the State Security Department, while notifying QCB about the fraud incident.

21.8 A licensee must adhere to the Personal Data Privacy Law (Law No. 13 of 2016) when processing and storing customer data.

(22) Service specific conditions

22.1 Issuance of e-money:

1. E-money may be issued as pre-paid cards, internet-wallets, mobile wallets or any other electronic form.
2. E-money may be issued as reloadable or non-reloadable form subject to the restrictions mentioned in other parts of this regulation.
3. E-money may be issued and reloaded through licensed agents/ATMs/branches of the licensee by payment via cash, debit to a bank account or a credit card transaction, treating it as cash withdrawal and debit cards.
4. All e-money issued shall have a minimum validity period of six months from the date of activation/issuance to the user.
5. All transactions that affect an e-money account (those that result into an account being debited or credited, including scheduling of such activity, suspending payments, etc.) should be allowed only after proper authentication.
6. The e-money issuers must inform the user of the transaction amount, charges, and new balance in the e-money account with a transaction reference number immediately after executing the financial transactions on the users e-money account.
7. The e-money issuers must fix the transaction limit (per transaction, daily, weekly and monthly), transaction velocity limit, fraud checks, AML checks etc. based on the risk assessment subject to the compliance with the overall limit set by QCB.

22.2 E-Money limit calculation:

PSPs shall fix a cap on the number of transactions and the balance of e-money accounts based on its risk appetite subject to the following limits:

No.	Transaction Type	Transaction Limit
1	Individual-to-individual transfer:	
	- Bank customer	- 10.000
	- Nonbank customer	- 5.000
	- Visitor	- 1.000
	- Minor	- 500

2	Individual to public service company transfer <ul style="list-style-type: none"> - Payment of services bill - Payment of monthly subscriptions 	15.000
3	Individual to government authority transfer <ul style="list-style-type: none"> - Fees and fines 	Daily limit of total payment movements is based on the customer type
4	Transfer from individual to business and trade companies <ul style="list-style-type: none"> - Bank customer - Nonbank customer - Visitor - Minor 	10.000 5.000 5.000 2.000
5	Transfer from business and trade companies to individuals <ul style="list-style-type: none"> - Bank customer - Nonbank customer - Visitor - Minor 	10.000 5.000 5.000 2.000
6	Transfer from Public service companies to individuals <ul style="list-style-type: none"> - Bank customer - Nonbank customer - Visitor - Minor 	5.000 5.000 Not applicable Not applicable
7	Transfer from government authority to individuals <ul style="list-style-type: none"> - Bank customer - Nonbank customer - Visitor - Minor 	No limit (not applicable)

8	Transfer between business and trade companies - Payment of services bill	20.000
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a. Limit of cash replenishment and drawing cap through the e-wallet (Cash-In / Cash-Out)

1	Cash replenishment into the wallet account (Cash In) - Bank Customer - Nonbank customer - Visitor - Minor	50.000 30.000 30.000 8.000
2	Cash withdrawal by the customer through an ATM via mobile phone (Cash out) - Bank customer - Nonbank customer - Visitor - Minor	5.000 2.500 30.000 Not applicable

b. Daily limit for payments through mobile phone based on customer's type:

No	Customer Type	Daily Limit
1	Bank Customer (Individuals)	50.000
2	Nonbank customer (Individuals)	25.000
3	Nonbank customer (visitor)	25.000
4	Nonbank customer (minor)	5.000
5	Bank customer (Merchant, business companies or public services companies)	100.000
6	Bank customer (government authority)	No limit

c. E-wallet balance limit

No.	Customer Type	Daily Limit
1	Bank customer (individuals)	50.000
2	Nonbank customer (individuals)	30.000
3	Visitor	30.000
4	Minor	8.000

22.3 Issuing Qatari Riyal denominated e-wallets for visiting foreign nationals:

Licensed Banks and licensed e-money service providers may issue non-reloadable e-wallets denominated in Qatari Riyal on a standalone basis to foreign nationals visiting Qatar subject to the following conditions:

1. E-money can be issued by overseas branches of QCB regulated banks directly from a KYC compliant bank account, which is compatible with due diligence requirements referred to in AML/CFT instructions.
2. E-money should be issued strictly to be used inside Qatar, where transactions shall be settled in Qatari Riyal and must be issued only in an electronic form.
3. E-money accounts must be activated by the licensee only after the visitor arrives to Qatar.
4. The licensees should ensure compliance to the relevant Know Your Customer/Anti-Money Laundering/Combating Financing of Terrorism/ Financing of Weapons of Mass Destruction Proliferation requirements and any relevant guidelines.
5. An individual can hold only one e-money instrument at a time and it should be non-transferable. The e-money issuer has to put in place necessary arrangements to ensure the same.
6. These e-money accounts may be used only for transactions permissible under the extant foreign exchange regulations.
7. Any claim for refund of wrong or erroneous transactions using such e-money account should be settled on priority basis to avoid any hardships to the visitor.
8. The process put in place by the licensee for refund of unutilised portion of the e-money amount in Qatar has to adhere to the extant foreign exchange regulations.
9. Unutilised portion of the e-money amount must be refunded only to the account from which the money is initially loaded.

22.4 Safeguarding of money collected:

1. A non-bank licensee (Payment Service Provider) must place the amount collected in exchange for the e-money issued or the amount received on behalf of the merchants as a merchant acquirer, in an ESCROW account with a bank licensed by QCB. It shall be intended only for settling clients' funds and for reversing transactions, with the commissions earned or any other commissions separated from this account. The bank manages this account and conducts settlement operations for merchants' funds within 2-5 business days from the date of the payment movement.
2. The licensee should enter into a contractual agreement with the bank maintaining the ESCROW account, clearly stating the roles and responsibilities of the licensee and the bank maintaining the ESCROW account.
3. The agreement should include exclusive clauses related to the bank maintaining the ESCROW account to fulfil the following responsibilities:
 - a. The bank maintaining the ESCROW account shall be responsible for the safety and security of the amount collected by the licensee from the end-users.
 - b. The bank maintaining the ESCROW account is required to ensure that the balance is maintained in the ESCROW account and should, at no time, be lower than 100% of the value of the outstanding e-money and payments due to merchants and customers.
 - c. The bank maintaining the ESCROW account shall ensure that the licensee adheres to the KYC requirements and AML/CFT instructions while establishing customers/merchants relationship and performing payment transactions.
 - d. The bank maintaining the ESCROW account must ensure that the funds in the ESCROW account can only be used to refund users and make payments to merchants in case the payment service provider fails to fulfil its obligations.
 - e. The bank maintaining the ESCROW account shall be liable for any loss of customer's funds owing to any negligence of the licensee.
4. In order to obtain a payment service provider license, a copy of the agreement signed between the licensee and the bank maintaining the ESCROW account should be submitted to QCB along with an authorization letter from the bank.
5. A certificate issued by the bank, certifying that the bank has discharged its roles and responsibilities as stated in section (3) and the licensee has been adhering to the requirements of safeguarding the customer's money, should be submitted to QCB on a quarterly basis.
6. The licensee must necessarily maintain the ESCROW account with only one licensed bank at any point of time and should separate the ESCROW account from other accounts of the licensee.

7. A certificate, as prescribed by the QCB from time to time is required to be submitted by the licensees, signed by the auditor(s), on a quarterly basis. Such certificates shall be submitted certifying that the licensee has been maintaining an adequate balance in the account to cover the outstanding value of e-money issued. The certificates shall be submitted within a fortnight from the end of the quarter to which it pertains.
8. Adequate records indicating daily and quarterly position of the outstanding value of e-money vis-à-vis balances maintained with the banks in the ESCROW accounts shall be made available for scrutiny to QCB or the bank where the account is maintained on demand.
9. Regarding the e-money issued by banks licensed by QCB, the outstanding balance shall be part of the 'net demand and time liabilities' for the purpose of maintaining reserve requirements.
10. The service provider may not withdraw cash from the ESCROW account without QCB approval. No interest or commissions shall be charged to this account and QCB must be informed in case of crediting to this account.

22.5 Refunds of e-money:

1. Issuers of e-money should provide refunds of e-money balances in their users' accounts should they decide to close their accounts, no longer wish to use the service, or were wrongly charged due to technical discrepancies or if for any reason the scheme is being wound-up or is directed by QCB to be discontinued.
2. The sum refunded should be made without any additional cost other than what is necessary to complete the refund transaction and this must be done in not more than a month from the date of the claim is made.
3. Refunds in case of failed / returned / rejected / cancelled transactions may be credited to the respective e-money account immediately even if such credit of funds results in exceeding the prescribed limits.
4. Any e-money account that is inactive for a period of six months must be placed in a dormant accounts list. The licensee must make all efforts to notify the user of its intention to suspend the account before placing it on the dormant accounts list.
5. The e-money issuer must include in the e-money account opening contracts a clause about the e-money account suspension and re-opening periods and the relevant procedures, alongside the consequences thereof.
6. Any unclaimed money in the dormant e-money account shall be subject to the regulations in force for handling unclaimed deposits in accordance with the provisions of the instructions on blocked

deposits and unclaimed funds in the “Instructions to Banks 2013” and any law replacing or amending it.

7. Refunds of e-money balances in their users’ accounts in case of death of the account holder shall be processed in line with the provisions of the instructions in force in this regard.
8. The service provider is obliged to provide a monthly report of the suspended e- wallets to QCB.
9. No withdrawal or transfer transaction from the suspended e-wallets shall be accepted unless the client in person or who represents him/her under a power of attorney or a duly accredited authorization (and the authorized signatory who can sign the e-wallets) visits the service provider in its headquarter. Minors are excluded from this clause, where their guardians are entitled to do that on their behalf.
10. No credit or debit transactions shall be considered a reason to re-open the suspended e-wallet except as stipulated in clause (11) of this article.
11. If the client or their legal representative visits the service provider with the intention of re-opening the suspended e-wallet or withdraw the remaining balance, the service provider shall re-open the e-wallet or liquidate the available balance after verifying the identity of the client or their legal representative and signing a certificate affirming the balance validity on the date of signing.
12. The e-money issuer shall transfer and maintain the dormant electronic files in a safe and secure place under a regulatory level higher than the level applied to other files.

22.6 Standards and Compliance:

1. Licensees providing payment services must comply with the relevant EMV (Europay, MasterCard, and Visa) standards.
2. Licensees providing payment services must maintain up to date Payment Card Industry Data Security Standards (PCI-DSS) certification.
3. Accounts of the licensees providing payment services must be periodically audited by PCI authorised companies for PCI-DSS compliance. Licensees are required to make certified copies of such documents available if requested by QCB.
4. All Payment Applications (PA) used for delivering the payment services must comply with PA-DSS standards.
5. PCI-PTS (PIN Transaction Security) must be applied when processing PIN information, especially on mobile applications, where the latter shall meet the requirements of a secure cryptographic device.

6. Use of encryption methods shall be subject to QCB standards.
7. QCB may waive requirements (2-5) for certain payment services subject to the risk assessment.

(23) Prohibition from carrying on certain businesses

23.1 A non-bank licensee that is entitled to provide and carry on payment services:

- a) must not lend money to any customer
- b) must not use any customer money, or any interest earned on any customer money, to finance, to any material extent, any activity of any business carried on by the licensee; and
- c) must not conduct cross-border remittances to individuals outside Qatar unless the licensee has obtained an exchange house license from QCB.

(24) Other Conditions

- 24.1 A licensee must conduct their activities in a professional and orderly manner, in conformity with good market practice.
- 24.2 A licensee must comply with any other specific requirements or restrictions imposed by QCB on the scope of their license.
- 24.3 Licensees are subject to the provisions of the QCB Law. These include the right of QCB to impose such terms and conditions, as it may deem necessary, when issuing a license. Thus, when granting a license, QCB specifies the regulated payment services that the licensee may undertake.
- 24.4 In addition, QCB may impose additional restrictions or requirements, beyond those already specified to address specific risks.
- 24.5 Licensees must comply with all other relevant regulatory and oversight requirements in force in the State of Qatar.

PART C (Licensing Process)

(25) Submission of Application

25.1 Entities wishing to be licensed to undertake any of the payment services within Qatar must apply in writing to QCB. An application for a license must be provided in the form prescribed by QCB (Annexure I) with the following documents:

1. A business plan containing the following:
 - a. An introduction about the applicant and its shareholders outlining their business history;
 - b. Where the applicant is a corporate body, details of the corporate group structure such as the parent company, subsidiaries and related companies, including ownership structure and percentage of shareholding;
 - c. A description of the proposed payment services to be carried on by the applicant in Qatar.
 - d. A chart showing the proposed organizational structure (Board of Directors, CEO, departments with reporting lines, as well as, staff headcount);
 - e. A description of the intended use of agents and branches, the outsourcing arrangements and its participation in the national and international payment system.
 - f. The Functional and technical architecture of the proposed payment services /system;
 - g. A business strategy clearly stating its market objectives and how the applicant is proposed to recover its investment;
 - h. A forecast budget calculation for the first three financial years which demonstrates that the applicant is able to employ appropriate and proportionate systems, resources and procedures to operate soundly and is able to make reasonable return on investment;
2. A copy of the applicant's valid commercial registration.
3. A draft copy of the applicant's memorandum and articles of association. The memorandum and articles of association must explicitly provide for undertaking the activities proposed in the license application, and must prevent the applicant from undertaking other commercial activities, unless these arise out of its activities or are incidental to those.
4. Where the applicant is a corporate body, a certified copy of a Board resolution of the applicant along with the minutes of the concerned meeting, confirming the board's decision to seek a QCB payment service provider license.

5. Where the applicant or the corporate group to which it belongs is regulated by any regulatory body other than QCB, a letter of non-objection to the proposed license application must be submitted by the applicant's home supervisor, together with a confirmation that the applicant and the group is in good regulatory standing and is in compliance with the applicable supervisory requirements, including those relating to capital adequacy and solvency requirements.
6. The identity of directors and persons who are or will be liable for the management of the applicant and, where relevant, persons who are or will be liable for the management of the payment services activities of the applicant.
7. Where the applicant is an existing institution, copies of the audited financial statements for the last three years.
8. Where the applicant is an existing payment service provider, copies of approval, authorization, license or permit already obtained from QCB or any regulatory authority in respect of providing any payment service.
9. Evidence that the applicant holds initial capital for the purposes of regulation in accordance with the provisions mentioned in Part B of this regulation.
10. A description of the measures taken for safeguarding the payment service users in accordance with the provisions mentioned in Part B of this regulation.
11. A description of the applicant's governance arrangements and internal control mechanisms, including administrative risk management and accounting procedures which demonstrate that such arrangements, mechanisms, and procedures are proportionate, appropriate, sound and adequate.
12. An independent assessment of the risks that may be faced by the applicant, together with the proposed systems and controls framework in place for addressing those risks . The risk assessment and the controls framework must include minimum the following:
 - a. Settlement procedures of payment claims and safeguards to mitigate settlement risks;
 - b. The measures implemented for fraud prevention;
 - c. The security arrangements/methods the applicant has established to protect the system from cyber threats/Information security risks;
 - d. The operational risks identified and the control mechanism;
 - e. The business continuity and disaster recovery arrangements;
13. A description of the internal control mechanisms established by the applicant in order to comply with the guidelines on Anti-Money Laundering/Combating Financing of Terrorism;

14. The proposed client charter clearly stating the fees, charges, timelines for execution of various services, etc. and a description of the customer grievance redressal mechanism.

15. A description of the audit arrangements of the applicant.

25.2 All documentation submitted as part of an application for a license must be in Arabic. Any documentation in a language other than Arabic must be accompanied by a certified Arabic translation thereof.

25.3 Any material changes or proposed changes to the information provided to QCB in support of the application that occurs prior to issue of final license must be reported to QCB.

25.4 The applicants who satisfy all the eligibility conditions set out in this regulation shall submit their application addressed to the QCB Governor in the prescribed form together with the supporting documents mentioned in section 25.1.

25.5 The applicants seeking license for providing any payment service not listed in section (5) or for providing any payment service that uses any new technology which is not implemented/tested in any regulated environment shall submit the application to QCB for sandbox testing. Based on the results of the testing, eligible applicants may submit the application for payment service provider license as per the procedure stated in Section 25.4.

25.6 The applicants must pay an application fee of QR.10,000.

25.7 The licensees must pay annual license fee proportional to the capital requirement specified in Section 9.1 of this regulation to QCB on 1st December every year by virtue of a letter of delegation.

Capital	Annual License Fee
Net-worth requirement less than or equal to 2.5 million	QR. 10,000/-
Net-worth requirement more than 2.5 million, but less than or equal to 5 million	QR. 20,000/-
Net-worth requirement more than 5 million	QR. 50,000/-

(26) Processing of Applications

26.1 At any time after receiving an application and before taking a decision, QCB may require the applicant to provide it with such further information as it reasonably considers necessary to enable it to take a decision on the application.

- 26.2 As per QCB Law, The Governor shall issue his decision to grant the license within sixty days from the date of fulfilment of all the conditions provided for in this regulation and decisions issued in implementation thereof, according to the public interest requirements and the national economy need.
- 26.3 QCB may include in the license issued such additional requirements as it considers appropriate.
- 26.4 As per QCB Law, the Governor shall issue a grounded decision rejecting the license application in the event it does not fulfil the conditions provided for. The applicant shall be notified of the issued decision regarding the application’s rejection and the reasons thereof. The notification shall be delivered to the applicant’s residence or office. Notification may also be made in any means which ensures the knowledge of the decision. Applicant may appeal against the decision before the “Dispute Resolution Committee” of QCB within 15 days from the date of receiving the notification.
- 26.5 The competent administration (Supervision and Control Department) shall promulgate the decision to grant the license in the Official Gazette and in two local newspapers, one issued in Arabic and the other in English.
- 26.6 The licensee (the payment service provider) shall permanently display an accredited copy of the license in a visible area in its place of work in the state as per article (85) of QCB Law.
- 26.7 In accordance with QCB Law, the financial institution shall commence conducting the licensed services, operations or activities within six (6) months from the date of issuance of the license. QCB may extend this period for another similar period. In the event of the elapse of this period without starting to conduct the licensed services, operations, or activities, the license shall be deemed as if not issued.

(27) Amending Licensing Conditions

- 27.1 QCB may amend the license conditions upon the request of the licensee in any of the following cases:
- Addition of any regulated payment services, operations, or activities to the entities licensed to offer payment services.
 - Amending or cancelling one or more conditions of the conditions specified in the license.
 - Cancelling any services, operations, or activities licensed to be offered.

27.2 QCB may not amend the licensing conditions pursuant to the provision of the previous paragraph, unless after checking the financial institution’s ability to fulfil its obligations under the amended licensing conditions.

(28) Suspending/ Stopping licensed activities/bankruptcy

28.1 A licensee must obtain prior permission from QCB if it requires to partially or completely suspend any of its licensed activities or terminate or liquidate its business. In case of bankruptcy, the licensee must follow the bankruptcy system in force in Qatar.

(29) Cancellation of License

29.1 The Governor may issue a decision to revoke or cease the license for a specified period, as the case may be in any of the cases stated in the QCB Law.

(30) Renewal of License

30.1 The license shall be automatically renewed if the licensee continues its operations in accordance with the established QCB laws and regulations.

(31) Penalty

31.1 In case of any violation, QCB shall impose a financial penalty by virtue of the law of QCB and Regulation of Financial institutions (Law No. 13 of 2012), or any other law in force.

APPLICATION FOR PAYMENT SERVICE PROVIDER LICENSE

(Qatar Central Bank)

Name of the company			
Website with Mail Box		Telephone no. and Fax no.	
E-mail			

Contact person	Name: Telephone number: E-mail address: Designation:
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Application for	<input type="checkbox"/> New Payment Service Provider (PSP) License <input type="checkbox"/> Authorization of new payment services
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Services for which the approval is sought for (Please Tick the appropriate services)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">Issuance of e-money</td> <td style="width: 25%; text-align: center;">Domestic money transfer (Payment Initiation Service)</td> <td style="width: 25%; text-align: center;">Account information services</td> </tr> <tr> <td></td> <td style="text-align: center;">Merchant acquisition</td> <td style="text-align: center;">Remittance through licensed exchange house</td> <td style="text-align: center;">Payment gateway service</td> </tr> <tr> <td></td> <td style="text-align: center;">Settlement services</td> <td style="text-align: center;">e-payment management systems and operation</td> <td></td> </tr> <tr> <td></td> <td colspan="3" style="text-align: center;">Others (Specify)</td> </tr> </table>		Issuance of e-money	Domestic money transfer (Payment Initiation Service)	Account information services		Merchant acquisition	Remittance through licensed exchange house	Payment gateway service		Settlement services	e-payment management systems and operation			Others (Specify)		
	Issuance of e-money	Domestic money transfer (Payment Initiation Service)	Account information services														
	Merchant acquisition	Remittance through licensed exchange house	Payment gateway service														
	Settlement services	e-payment management systems and operation															
	Others (Specify)																

Documents enclosed:

Please provide the list of required documents attached in accordance to the PART C of PSS regulation

Sl.No	Name of the document
1	
2	
3	
4	
5	
6	

7	
8	

Part A: Background of the Applicant

1. Applicant's particulars			
1.1 Proposed Trade Name			
1.2 Company registration no. and date		1.5 Country of incorporation	
1.3 Date of incorporation		1.6 Date of commencement of business operations	
1.4 Place of Incorporation			
1.7 Number of branches and the address (if any)			
1.8 Business address (in Qatar)			
1.9 Address of head office (If incorporated outside Qatar)			
1.10 Business legal form			
	Public Sharing	Private Joint-Stock	Foreign Corporation branch
Business activities and services presently offered			
<ul style="list-style-type: none"> Including Group's business activities if the company is part of Group of companies 			

Supporting documents required should be the original or a certified copy:

- Commercial Registration Certificate.
- Memorandum and articles of association.
- Certificate from the regulator (If the applicant is regulated by any supervisor other than QCB).

2. Details of shareholders

Full Name (Individual or company)	QID/ passport number/ Company registration no	Nationality	Address	Amount of shareholding (RM)	% of shareholding
1.					
2.					
3.					
4.					
5.					
Total					100%

Supporting documents required should be the original or a certified copy:

1. Copy of Financial statements.

3. Corporate structure

Provide a summary of corporate group structure such as the parent company, subsidiaries and associate companies, including ownership structure and percentage of shareholding.

Supporting documents required:

1. Business Plan.
2. Detailed information on corporate structure.

4. Management and Organizational Structure

(Details of Board of Directors, Chief Executive Officer (CEO) and Senior management)				
Full Name	Designation	Nationality	Qualification and Payment service related Experience	Is it presently Involved in any other business(Yes/No)

Supporting documents required should be the original or a certified copy:

1. Detailed Bio-data of all directors and senior management personnel (Name, Age, Nationality, QID/ Passport Number, Qualifications, Work Experience, date of joining the BOD, details of involvement in any other business as a shareholder, director, CEO or senior management)).
2. Business Plan-A chart showing the proposed organizational structure (Board of Directors, CEO, departments with reporting lines, as well as, staff headcount).
3. Documentation of a valid ID copy, Passport copy and Commercial Registration Certificate.
4. Resumes of shareholders in case the company is a private joint-stock company, attached with Good Conduct Certificate.

5. Financial status

5.1 The current balance of the company's shareholders' funds

Equity capital (ordinary shares only)	
(+) Reserves - including share premium and general reserve fund	
(+) Retained Profit or (-) Accumulated Losses	
(+) Profit for the period or (-) Loss for the period	
(-) Intangible assets	
(=) Shareholders' Funds(Net worth)	

5.2 Name of the statutory auditor(s) and their business address:

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5.3 Name and address of bankers of the applicant:

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5.4 Whether the applicant has committed any default in repayment of loan, advance or any credit facility taken from a bank or financial institution, if so please mention full particulars

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Supporting documents required:

1. Audited balance sheet, profit and loss statement of the applicant for the last three years.
2. Bankers' report on the functioning of the applicant account and its financial health in sealed cover(s).

PART B : Details of Payment Services proposed to be launched

6. Details of payment services currently offered by the company, if any. Please provide details of services such as the date of launching the service, number of customers/merchants, volume and value of transactions, etc. for the last two years in a separate document

7. Details of Payment Services proposed to be licensed

7.1 Service Description.

7.2 Business Process- Process flow, instruments, and delivery channels.
(full details to be furnished separately)

7.3 Technology to be used, security features, interoperability, compliance with the standards and certifications.
(full details to be furnished separately)

7.4 Details of other companies/firms/ entities will be associated with the applicant in providing the payment service or setting up the payment system.

7.5 Experience of the applicant and the associated companies/firms/entities in the field of payment systems:
(provide additional details in a separate sheet)

7.6 Expected benefits to the financial system/ country from the operationalization of the proposed payment system/Services.

7.7 If the payment service involves possession of user's money, the proposed procedure for the

management of such funds collected from users.	
7.8 Any other information related to the proposed payment service/System	

Supporting documents required:

1. Copy of approval or authorization from QCB, if the applicant is already into payment service business.
2. Business Plan-Functional and Technical details of the proposed new payment service and system.
3. Business Plan - Experience of the applicant and the associated companies/firms/entities in the field of payment systems.

Part C: Business Strategy

8. Sources of finance (Amount in Qatari Riyal)		Year1	Year2	Year3
	Self-financing			
	Borrowings expected from banks			
	Borrowing expected from sources other than banks			
9. Expected Revenue, Expenditure and Rate of return on investment.		Year1	Year2	Year3
	Income			
	Expenditure			
	Return on equity			
10. How does the applicant propose to recover its investment and earn income?				

Supporting documents required:

- Business Plan- Business strategy

Part D: Risk Management and Customer Service

Corporate Governance and internal control mechanisms	
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11. Measures in place to safeguard customer's money (If the service involves handling customer money such as issuance of e-money, Merchant acquisition service etc.), including maintenance of ESCROW account and operations thereof.	
12. The proposed procedure for settlement of payment claims and safeguards to mitigate settlement risks.	
13. Measures proposed for fraud prevention, AML/TF.	
14. Security arrangements/methods for protection from cyber threats/Information security risks.	
15. Business continuity plan.	
16. Other risks in operating the payment service and the mitigation plans.	
17. A description of charges, fees, timelines and customer grievances redressal mechanism for the proposed payment service. (Please attach a detailed client charter)	
<p>Supporting documents required:</p> <ol style="list-style-type: none"> 1. An independent risk assessment report with mitigation plans 2. Proposed client charter and customer grievance redressal mechanism. 	

Part E: Acknowledgment & Undertaking

Acknowledgment & Undertaking

We the undersigned and the applicants for license to establish payment services business in Qatar, acknowledge that we are acquainted with the QCB Law no. (13) of 2012. We undertake to comply with all the articles and executive regulations of law and to fulfill all the requirements of Qatar Central Bank. We undertake to comply with all regulations issued by QCB for licensing, supervising and monitoring payment services in Qatar. We undertake that all the information and documents provided to QCB are correct, proper and accurate, and that there is no other additional important information, as far as we know, that could affect the approval decision of QCB.

Name: in my capacity as:

Signature:

Authorized Signatory:

ID Number:

Instructions:

- 1) This declaration and undertaking must be signed by all the founders of the company.
- 2) The authenticity of the signature must be duly certified.

Template for adding new Merchants

QMP - Template for adding new Merchants		
Company Name		
Contact Details	Address	
	Telephone	
	Mobile	
	Email	-
Nature of Business		
Services		
Commencement date of Services		
Average Expected Transactions (monthly)		
CR Number		
Date of CR Expiry		
Number Of Branches		

Assigning Agent

Data Required to Approve an agent. Data should be sent to QCB 15 days prior to assigning an Agent		
1	Copy of the Commercial registration	
2	Memorandum of Association	
3	Certificate of Authorized Signatories	
4	Authorization letter from the BOD	
5	Agent's Trade Name	
6	Agent's Location	
7	Number of locations at which the service is being provided	
8	Expected trading volume (Monthly)	
9	Telephone number	
10	Email Address	