The Jordan Securities Commission Publishes Key Highlights of the Draft Amended Securities Law

The Cabinet approved on Sunday a draft law amending the Securities Law for 2026 and referred it to the Lower House of Parliament to proceed with the constitutional process for its enactment.

The draft law aligns the responsibilities of the Jordan Securities Commission with those set out in the Law Regulating Dealings in Foreign Exchanges and the Law Regulating Dealings in Virtual Assets, Investment in Such Assets, and the Licensing of Companies Operating in that sector. It also changes the commission's name to the Capital Market Authority.

The draft excludes securities from the Law on Government Ownership of Funds Subject to Prescription, given that the Securities Depository Center maintains ownership records and ensures that ownership rights and related financial entitlements do not lapse over time.

The legislation regulates trading in digital securities to keep pace with developments in financial technology. It also sets minimum and maximum interest rates that financial services companies may charge to protect investors from excessive rates. In addition, it safeguards investor rights by requiring listed companies to take into account the interests of minority shareholders before making major decisions related to corporate restructuring and mergers.

Mutual funds will be permitted to invest in new asset classes, including real estate, with the aim of diversifying investments and reducing risk. The draft law also allows baskets of shares in multiple companies to be traded as a single unit on the capital market.

The legislation provides for the licensing of equity crowdfunding platforms to pool small savings into larger, productive investments through an organized and regulated mechanism.

It requires companies whose securities are registered with the commission to transfer undistributed or unclaimed dividends to the Securities Depository Center so that they can be paid to their rightful beneficiaries, thereby protecting investor rights.

As part of efforts to strengthen governance and integrity, the draft law prohibits commissioners of the authority and their relatives from trading in or owning stakes in financial services companies, in accordance with instructions to be issued for that purpose.

The amendments also enhance cooperation between the authority and Arab and international regulatory bodies to strengthen capital market governance, improve oversight of licensed entities, and combat unlawful practices.

The Cabinet also approved the justifications for a draft bylaw amending the Economic and Social Council Bylaw for 2026.

The amendments are intended to strengthen the council's governance and enable it to exercise its technical and advisory powers independently and in an organized manner in line with the highest standards of transparency and efficiency.

Under the amendments, the council's powers will be expanded to include issuing an annual report on economic, social and environmental conditions in the kingdom, in addition to strengthening its role in decision-making by preparing studies on draft legislation and economic, social and environmental policies.

The changes are also expected to enhance the council's ability to respond to national priorities and the objectives of Jordan's Economic Modernization Vision and Public Sector Modernization Roadmap, enabling it to perform its role as a national center for studies and objective dialogue on public policy. They also reinforce the council's role in managing social dialogue and building consensus among production stakeholders on draft legislation and economic and environmental policies.

The Cabinet also approved the mandating reasons for a draft bylaw amending the Zaha Cultural

Center Bylaw for 2026.

The amendments aim to strengthen the legal and administrative framework governing the Zaha Cultural Center, organize its management and powers in line with operational developments and actual needs, and keep pace with new developments to further its objectives in a more flexible and modern manner.

The amendments are expected to bolster the role of the center, which was established in 1998 and now operates 25 branches across Amman and governorates. The center was awarded the first-degree King Abdullah II ibn Al Hussein Order for Distinction for its role in promoting social and volunteer work, organizing programs and activities that encourage children to innovate, and establishing parks to serve this group. It also won second place in the institutional volunteer work category of the Al Hussein bin Abdullah II Award for Voluntary Service in 2023.

In the academic sector, the Cabinet approved the mandating reasons for a draft bylaw amending the Faculty Members Bylaw at Al Hussein Bin Talal University for 2026.

The amendments address the absence of a provision allowing the university to convert an instructor or full-time lecturer to the rank of assistant professor or to full-time lecturer with the rank of assistant professor after obtaining a doctoral degree. The change is expected to generate financial savings for the university by allowing internal conversion rather than new appointments.

The amendments also take into account requirements of the Accreditation and Quality Assurance Commission related to a number of disciplines in newly established scientific, medical and technical faculties at the university, in line with similar amendments recently approved for faculty bylaws at several Jordanian public universities.