



CBUAE Introduces Framework for the Regulation of Short Term Credit Facilities

Abu Dhabi (27 December 2023): Acknowledging the global shifts in consumer financial trends and the increasing demand for "Buy-Now, Pay-Later" and similar credit products and services, the Central Bank of the UAE (CBUAE) announces the issuance of the newly amended Finance Companies Regulation.

Under the new framework, the provision of short-term credit can be carried out by entities operating as agents of licensed Banks or Finance Companies, following approval by CBUAE. Entities can also carry out this activity upon being licensed by CBUAE as Restricted License Finance Companies.

Unlicensed entities which carry on any form of short-term credit activity and intend to continue to carry on these activities, must either apply to the CBUAE to be licensed as a Restricted Licence Finance Companies; or partner with a licensed Finance Company or a Bank.

To view the provisions of the Finance Companies Regulation on CBUAE's website, click [here](#).

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