



CBUAE imposes monitoring and financial sanctions on a bank operating in the UAE

Abu Dhabi (14 December 2021): The Central Bank of the UAE (CBUAE) has imposed administrative measures and a subsequent financial sanction on a bank operating in the UAE, pursuant to Article 14 of the Federal Decree Law No. (20) of 2018 on Anti Money Laundering and Combating the Financing of Terrorism and Illegal Organisations (AML/CFT), and pertinent articles and decisions of the Cabinet and the CBUAE's Board of Directors in relation to AML/CFT.

The CBUAE undertook a two-step approach to the enforcement. On 4 August 2021, the CBUAE imposed monitoring on the bank to require the appointment of a consultant to take necessary urgent action to effect remediation of its AML & Sanctions Compliance Framework. The monitorship is on-going, and the CBUAE will co-ordinate with the bank to complete the remediation process.

On 4 November 2021, the CBUAE imposed a financial sanction of AED 19,500,000, which takes into account the bank's failure to achieve appropriate levels of compliance in its AML & Sanctions Compliance Frameworks for an extended period of time.

All banks operating in the UAE are required to attain the appropriate levels of AML/CFT compliance standards, having been allowed ample time by the CBUAE to remedy any shortcomings. Where those shortcomings remain, the CBUAE will impose financial sanctions. The CBUAE will continue to work closely with all licensed financial institutions in the country to achieve and maintain high levels of AML/CFT compliance, and will continue to impose further administrative and/or financial sanctions, as per the law, in cases of non-compliance.

The bank concerned has the right to appeal against the imposition of the financial sanction.

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