



مصرف الإمارات العربية المتحدة المركزي
CENTRAL BANK OF THE U.A.E.

CBUAE introduces mandatory registration framework for Hawala providers in the UAE

Abu Dhabi (2nd September 2020): The Central Bank of the UAE (CBUAE) today announced the introduction of a mandatory registration framework for Hawala providers or informal money transfer service providers that operate in the UAE.

The newly introduced registration system is in accordance with the Registered Hawala Providers Regulations (Regulation 24/2019) and reflects the CBUAE's continuous efforts to safeguard the UAE's financial system. All activities of the hawaladars will be subject to registration, monitoring and scrutiny in accordance with the law and the Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) regulations in the country. Hawaladars are required to register all their activities with the CBUAE.

Commenting on the new registration framework, **H.E. Abdulhamid M. Saeed Alahmadi, Governor of the Central Bank of the UAE**, said: "The CBUAE is committed to further strengthening the framework of a robust financial system in the UAE through appropriate regulations and processes to ensure complete transparency and appropriateness of all financial transactions originating from the UAE. To that end, the registration system for Hawala providers is especially significant as we are strengthening our efforts to maintain best-in-class reporting systems, especially in relation to improving the Anti-Money Laundering and Countering Financing of Terrorism systems within the country. We are committed to ensuring that only registered Hawala providers operate in the UAE, in accordance with the law and as per the certificate issued by the CBUAE."

Hawaladars are informal funds transfer service providers between individuals utilising non-bank settlement methods. The mandatory registration process will formally recognise Hawala providers to operate alongside other channels of remittances, including money exchange houses.

As per the Banking Law, CBUAE advises that legal action will be taken against Hawala providers should they fail to register their applications within 90 days of this press release, including imposing financial penalty and imprisonment.

Additional information on the registration procedures and processes for Hawala providers can be found at www.centralbank.ae.

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