



## Bank CEOs welcome TESS extension by CBUAE

**Abu Dhabi (25 November 2020):** H.E. Abdulhamid M. Saeed Alahmadi, Governor of the Central Bank of the UAE (CBUAE), met yesterday with CEOs of all banks operating in the UAE to update & discuss status of the Macro economic environment & the Banking Industry in the UAE. Governor of the Central Bank of the UAE commenced the meeting by recognizing and thanking all CEO's and their staff, for all the efforts shown during the Covid-19 pandemic to ensure the smooth functioning of all banking channels and the continued serving of customers.

The meeting encompassed presentations and discussions on the overall macroeconomic environment and financial stability of banks in the UAE. Most indicators in the banking industry including liquidity, capital adequacy are stable and there has been a pickup in various growth indicators as at the 3rd quarter of the year. His Excellency advised that he believed things were now better than before and that the banking Industry has pulled through what would be characterized as extra ordinary times with great character and cooperation. He further advised that banks need to continue with caution on various parameters and ensure robustness of their balance sheets with sufficient Capital, Liquidity and provisioning levels. His Excellency stressed that the safety and soundness of the banking system is of utmost importance to the CBUAE and that it remains the continuing priority.

Bank CEO's thanked the Central Bank of the UAE for extension of the TESS program which had helped managed key liquidity and customer concerns through a period of high uncertainty. CEO's also applauded the continued relaxation of various regulatory parameters to help banks and stimulate the economy at the meeting. His Excellency advised that the CBUAE continues to listen to the needs of the market and shall continue to provide a supporting role to help banks and stimulate the economy. To date, the TESS loan deferral program has benefited more than 310,000 retail customers, nearly 10,000 small and medium sized enterprises, and more than 1,500 private sector corporates

As part of the Central Bank's efforts to combat money laundering and financing of terrorism, the results of the first round of CBUAE Sanction's screening systems of 31 financial institutions were reviewed and an industry-wide paper on lessons learned will be published soon. The meeting encompassed discussions on various other issues including the Basel 3 transition, IBOR Transition Working group and updates on the creation of a Compliance Forum with Compliance Officers of banks.

**H.E. Abdulhamid M. Saeed Alahmadi, Governor of the Central Bank of the UAE, said:** "We are transforming the CBUAE with various initiatives and programs



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to make the CBUAE one of the top central banks globally. We are challenging the status quo, incorporating the best technology and building relationships with other central banks and governments across the globe.”

**His Excellency** advised that this could not be done just by the CBUAE but through greater cooperation between the CBUAE and the banking community at large. This would involve public and private partnerships and a whole set of measures to enhance the ways in which banking was done in the UAE.

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