

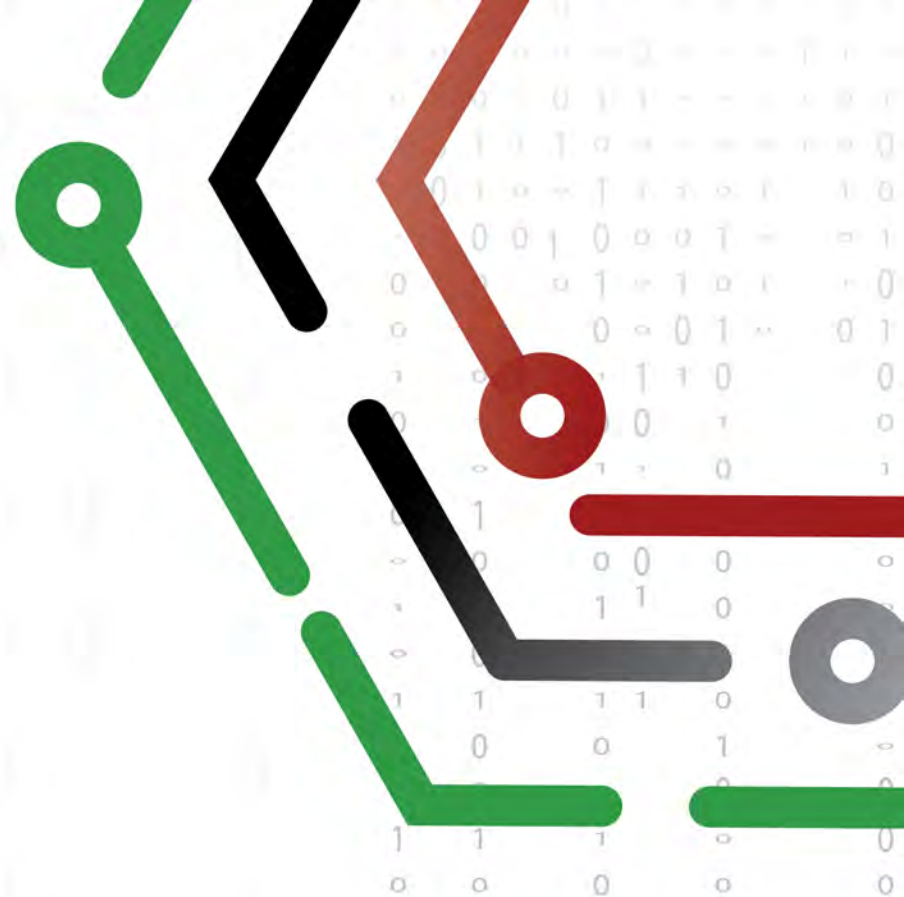


مصرف الإمارات العربية المتحدة المركزي
CENTRAL BANK OF THE U.A.E.

NATIONAL SUMMIT ON COUNTER TERRORIST FINANCING AND SANCTIONS

Implementation of UNSCRs by Central Bank of the UAE

NOVEMBER 17, 2019





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

The UAE legal framework sustaining freezing of assets of terrorist organizations and individuals





Legal Framework

UAE AML/CFT Law

Decree Federal Law No. (20) of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Illegal Organisations

Article 16.1.e requires financial institutions and designated nonfinancial businesses and professions to implement immediately the directives issued by the Competent Authorities in the State for implementing the resolutions issued by the United Nations Security Council under Chapter (7) of UN Charter for the Prohibition and Suppression of the Financing of Terrorism, and Proliferation of weapons of mass destruction and their financing, and other related directives



Legal Framework

UAE AML/CFT Law

Decree Federal Law No. (20) of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Illegal Organisations

Article 28 provides that imprisonment or a fine of no less than (50,000) fifty thousand dirham and no more than AED (5,000,000) five million dirham shall be applied to any person who violates the instruction issued by the Competent Authority in the State for the implementation of the resolutions of United Nations Security Council under Chapter (7) of UN charter for the Suppression of the Financing of Terrorism and Proliferation of Weapons of Mass Destruction and its financing and other related decisions



Legal Framework

Implementing Regulation of the UAE AML/CFT Law

Cabinet Decision No. (10) of 2019 Concerning the implementing Regulation of Decree Federal Law No. (20) of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Illegal Organisations

Under Chapter 7 - International Cooperation, Article 60 of Section 4 – Implementation of Security Council Resolutions states that every natural or legal person shall immediately comply with the instructions issued by the Competent Authorities in the State concerning the implementation of the resolutions issued by UN Security Council under Chapter VII of the Charter of the United Nations regarding the prevention and suppression of terrorism and Terrorism Financing, and the prevention and suppression of the proliferation of Weapons of Mass Destruction and its financing, and any other related decisions



Legal Framework

Cabinet Decision regarding Implementation of UNSCRs

Cabinet Decision No (20) of 2019 Regarding Terrorism Lists Regulation and Implementation of UN Security Council Resolutions On the Suppression and Combating of Terrorism, Terrorists Financing & Proliferation of Weapons of Mass Destruction, and Related Resolutions

Article 19 on Obligations of Financial Institutions and Designated Non-Financial Businesses and Professions states the financial institutions and designated non-financial businesses and professions, for the purpose of implementing the provisions of this Decision, shall:

1- Follow up any updates of data of persons and organizations listed in the Sanctions Committees lists on a daily basis, by referring directly to the resolutions adopted by the Security Council and published on its website, or the Office's website, and also before conducting any transaction or entering into any serious relationship with any person, to ensure that such person is not listed in the Sanctions List or removed therefrom, unless a prior written notification from the Office confirmed non-removal of such person



Legal Framework

Cabinet Decision regarding Implementation of UNSCRs

2- Continuously check customers' database and any collected information regarding potential or existing customers and compare this information to the names listed in the Sanctions List, and maintain, in the database, an updated list of persons and organizations listed in such List

3- Immediately report to the Regulatory Authority in case of freezing of Funds, in order for the Regulatory Authority to notify the Office of the freezing order within five working days of receiving such order, and to provide the Office with all details of the frozen funds or procedures taken in compliance with the prohibition requirements prescribed in the relevant UN Security Council Resolutions, including attempted transactions

4- Notify the Executive Office of the Committee for Goods and Materials Subject to Import and Export Control, through the Regulatory Authority, if it was established that one of its previous customers or any random customer it dealt with, is a person or organization listed in the Sanctions List



Legal Framework

Cabinet Decision regarding Implementation of UNSCRs

5- Notify the Executive Office of the Committee for Goods and Materials Subject to Import and Export Control, through the Regulatory Authority, that no procedure has been taken due to similarity of names, and that such similarity could not be resolved through available or accessible information

6- Unfreeze the Funds within five working days from issuance of the unfreezing resolution, provide the Executive Office of the Committee for Goods and Materials Subject to Import and Export Control, through the Regulatory Authority, with information regarding the Funds, including their status, nature, value, and measures taken in respect thereof, and any other information related to the resolutions, and verify the accuracy of the provided information



Legal Framework

Cabinet Decision regarding Implementation of UNSCRs

Article 20 of this Decision on Administrative & Penal Measures states that:

1- The Regulatory Authority shall take all measures to ensure compliance of financial institutions and designated non-financial businesses and professions with the obligation of implementing the relevant Security Council Resolutions, and impose adequate administrative penalties in case of negligence or failure to implement the provisions of this Decision

2- A person who, in good faith, freeze funds, deny disposal thereof, or refuse to provide financial services relating thereto, or declined to perform any other obligation in compliance with the provisions of this Decision, shall be exempt from administrative liability towards any resulting damage or claim



Legal Framework

Cabinet Decision regarding Implementation of UNSCRs

Article 20 of this Decision on Administrative & Penal Measures states that:

3- A person who, due to the nature of his position, has access to, or becomes aware of, any information provided or exchanged pursuant to the provisions herein, whether directly or indirectly, shall not disclose this information in any form, unless for the purposes of implementing this Decision

4- A person who violates the obligations provided in this Decision shall be subject to the administrative and penal punishments stipulated in the aforementioned Decree Federal Law No. 20 of 2018



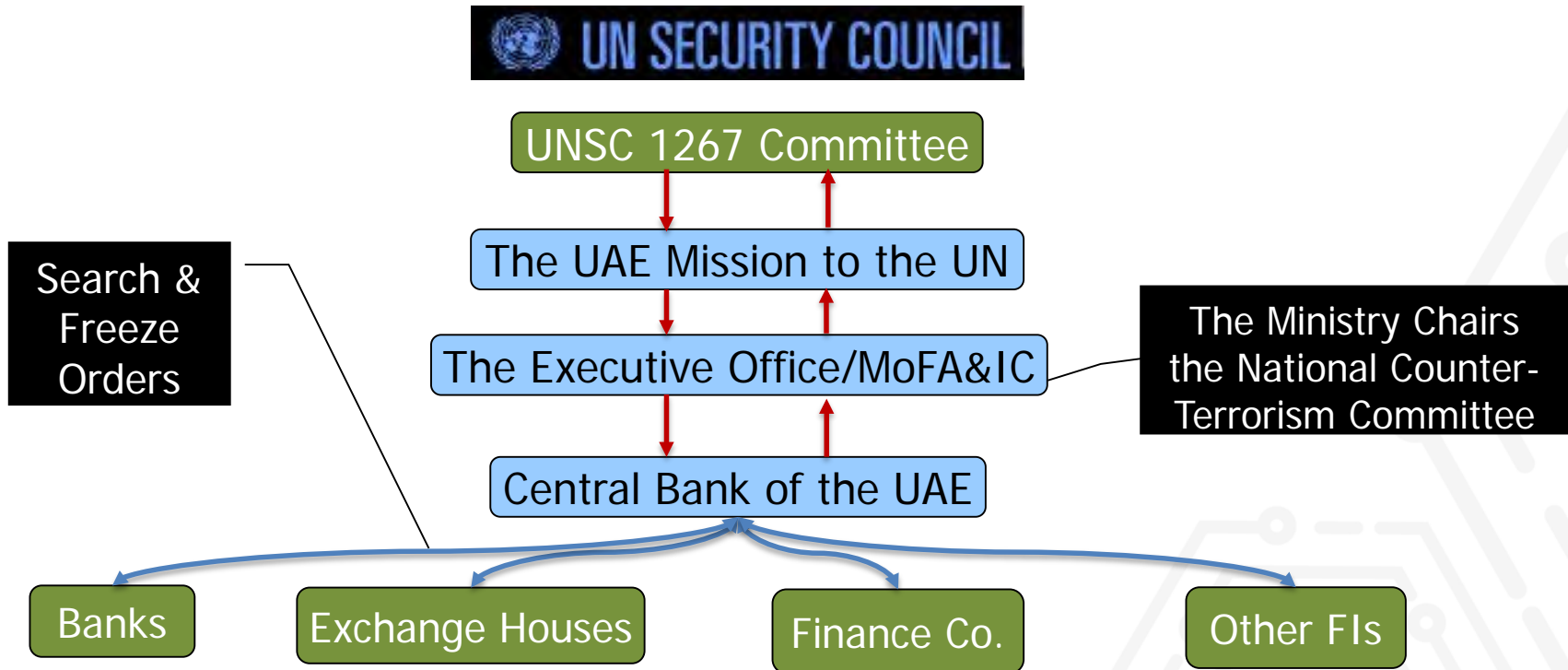
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Central Bank of the UAE Terrorist Assets Freezing Process



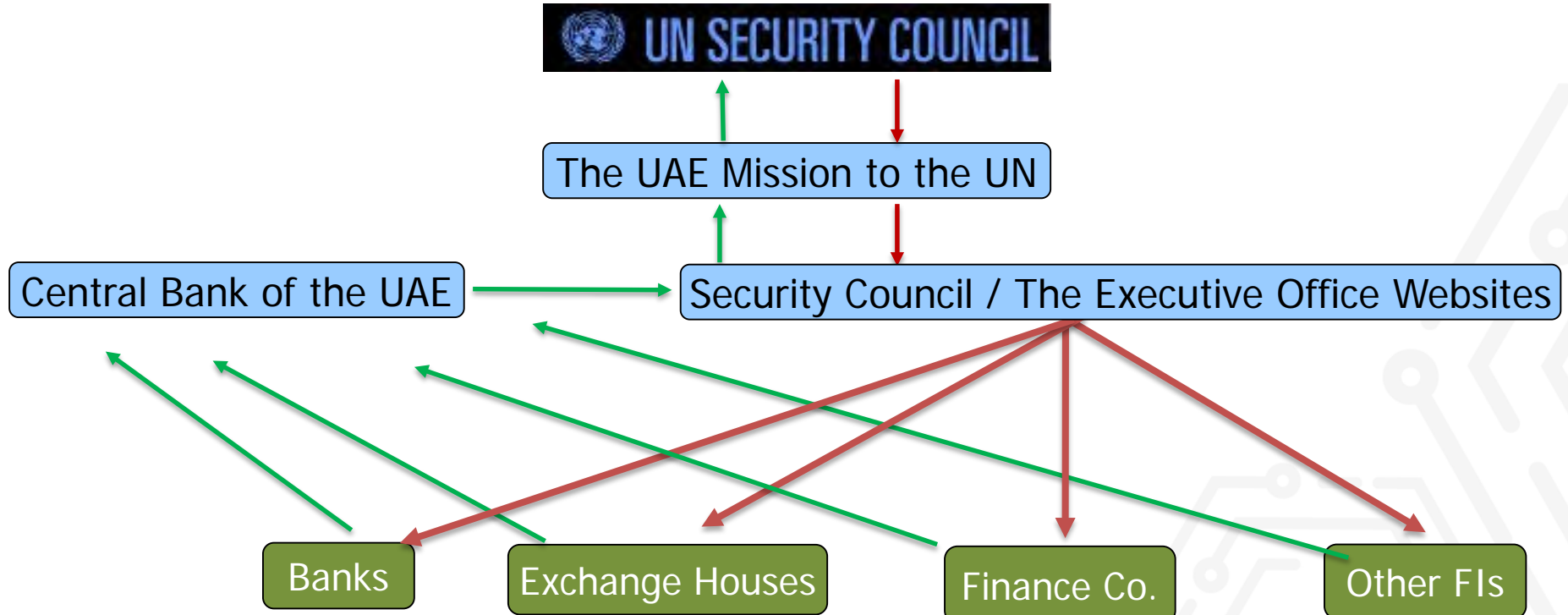


Terrorist Assets Freezing Process (Existing Process)





Terrorist Assets Freezing Process (New Process)





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Thank You!

