

The UAE and AML/CFT: A Critical National Priority

The United Arab Emirates is a committed global actor supporting the Financial Action Task Force (FATF) and its priority of strengthening anti-money laundering (AML) and countering the financing of terrorism (CFT). Through close cooperation with the United States, the UAE has already adopted a series of tangible measures to expand engagement with FATF and enact national reforms. This is a matter of critical national security importance, with the UAE actively working to enhance its AML/CFT framework to meet these international regulatory standards.



Emirati and American officials gather at the UAE-US Economic Policy Dialogue in June.

UAE-US AML/CFT Collaboration

The UAE Government is engaging directly with the US to jointly counter money laundering, terrorist financing, funding for weapons of mass destruction, and other illicit activities. Underscoring the issue's importance, Minister of Foreign Affairs and International Cooperation His Highness Sheikh Abdullah bin Zayed Al Nahyan is directly spearheading the UAE's whole-of-government response to this intensive and technical process. American officials at the US Department of Treasury and the US Embassy in Abu Dhabi are partnering with their Emirati counterparts at the UAE Ministry of Foreign Affairs and International Cooperation's Economic and Trade Affairs Department to enhance UAE-US cooperation and resolve areas of mutual concern.



| UAE AML/CFT Progress

As the two countries work to establish an intergovernmental process to collaborate on shared AML/CFT priorities, the UAE has already implemented a series of significant reforms.

| Developments



The Central Bank of the UAE and other institutions are implementing the FATF framework on AML/CFT.

- The UAE introduced a new smart system named “Fawri Tick” to monitor and curb terrorism financing in the country. The tool facilitates communication among all relevant authorities in an effort to combat AML/CFT crimes.
- The UAE is coordinating closely with the Middle East and North Africa FATF to enhance reporting on technical compliance of the AML/CFT framework.
- The Ministry of Justice, Central Bank, and the Federal Customs Authority are advancing a series of bilateral cooperation agreements – 65 to date - with global partners in coordination with the Ministry of Foreign Affairs and International Cooperation.
- The UAE is implementing United Nations Security Council Resolutions relating to CFT and is enacting substantive guidelines on the implementation of targeted financial sanctions.
- The UAE’s Ministry of Economy has launched a national campaign to obtain accurate data on beneficial owners, i.e. individuals that control an interest in a legal entity. The Ministry urged non-financial businesses in the UAE to register their activities within the Financial Intelligence Unit’s system “goAML,” a platform developed by the United Nations that collects and analyzes financial information to combat AML/CFT.
- The UAE Government has launched a Public-Private Partnership Committee, chaired by the AML/CFT Executive Office, and recently concluded its first meetings with 145 private sector entities and 31 government representatives.



| Results



In 2021, UAE federal and emirate-level authorities have worked in close collaboration to improve their enforcement efforts as evident by the following actions:

- In October, the UAE's Central Bank fined six exchange houses with a penalty of AED 17.31 million (\$4.71 million) in accordance with Article 14 of the Federal Decree No. 20 of 2018 on AML/CFT.
- In September, the UAE Cabinet declared Resolution No 83 of 2021, designating 38 individuals and 15 entities on its approved list of persons and organizations supporting or belonging to networks that finance terrorism and its related activities.
- In July, with the help of the UAE Government, the Dubai Police and other UAE entities, and the FBI uncovered an elaborate scheme to steal more than \$1.1 million from a business person who wanted to fund a new school for children in Qatar among other illicit financial activities.
- In July, nine individuals and six companies were convicted and fined for the illegal possession of AED 18 million (\$4.90 million) via money laundering and cryptocurrency trading.
- In June, as part of the UAE's efforts to improve corporate transparency, more than 500,000 firms in the country were required to disclose their ultimate owners or face substantial penalties. Data was collected from 89% of registered firms.
- In February, 11 banks were fined AED 45 million (\$12.25 million) by the Central Bank for recent compliance failures.
- In January, 97 criminals were arrested by Dubai Police, recovering AED 11.8 billion (\$3.21 billion) from a cyber fraud scheme.



For more information on the UAE and the Financial Action Task Force, visit <https://www.uae-embassy.org/>