



Saudi Arabia

The **Saudi Central Bank (SAMA)** has announced its intent to launch an open banking regulatory framework, and to go live with open banking during the first half of 2022. In its [policy paper](#), it described open banking “as a pivotal role in the further development of the Kingdom’s financial sector...[and] in this journey towards innovation and financial inclusion”.

Global

The **Financial Action Task Force (FATF)** has released draft [Guidance](#) on Proliferation Financing Risk to help the public and private sectors implement the new requirements to tackle proliferation financing risk as defined in Recommendation 1 and its Interpretive Note. FATF is seeking feedback on the guidance from financial institutions and DNFBPs; public consultation is open until 9 April 2021.

FATF has also published its summary of [outcomes from the Plenary](#) held in February, and a consolidated table that provides an up-to-date overview of the ratings that assessed countries obtained for effectiveness and technical compliance.

Transparency International has [submitted an appeal](#) to the UN General Assembly with more than 700 signatories calling for a new global standard on beneficial ownership transparency.

- The Cabinet has issued [Resolution No. 16 of 2021](#) regarding non-financial businesses and professions (DNFBPs), and a [list](#) of 26 different offences and applicable fines relating to DNFBPs’ AML/CTF obligations. Relevant entities include real estate agents, gold dealers, auditors, and corporate service providers, all of which must register with the relevant authorities by 31 March 2021 to avoid penalties.
- The Cabinet has also approved the establishment of an [Executive Office of Anti-Money Laundering and Countering the Financing of Terrorism](#). This office will oversee the implementation of the UAE’s National AML/CFT Strategy and National Action Plan.
- The Central Bank has fined [11 Emirati banks](#) and an [exchange house](#) a total of AED45.5m (~\$12m) for violating AML regulations. All banks operating in the UAE were instructed in 2019 to ensure compliance with applicable regulations by the end of that year, or face penalties under the Federal Decree Law No. (20) of 2018.

UAE

The **UAE authorities** have been extremely active in the first three months of 2021, issuing a series of new regulations and guidance, and handing out fines to a number of regulated entities.

- The **Dubai Multi Commodities Centre (DMCC)** Free Zone has entered into a memorandum of understanding with the Securities and Commodities Authority (SCA) to establish a [regulatory framework](#) for businesses offering, issuing, listing, and trading crypto assets in DMCC. Crypto firms will be able to apply for bespoke licences offered by the DMCC Crypto Centre. The SCA will issue approvals for such businesses, and will subsequently regulate their activities in line with policies introduced in October 2020 to develop an integrated ecosystem for the crypto and blockchain industries.

The **UAE Centre for the Fourth Industrial Revolution (C4IR UAE)**, a joint initiative of the Dubai Future Foundation and the World Economic Forum, has signed a memorandum of understanding with **Dubai International Financial Centre Authority (DIFC)** and **Dubai Financial Services Authority (DFSA)** to launch a [testbed](#) for FinTech companies to develop and test the tokenisation of digital assets through the use of blockchain technology.

Saudi Arabia

SAMA has issued [new rules](#) and [guidance](#) on debt crowdfunding which cover requirements for information security, corporate governance, internal regulation, risk and compliance, and internal auditing.

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Bahrain

The **Central Bank of Bahrain (CBB)** has announced the launch of an [eKYC platform](#) as part of the country's digital transformation strategy. The platform, the first of its kind in the region, is intended for retail banks, financial services providers, and money exchange networks and is operated by BENEFIT in collaboration with the Information and eGovernment Authority (IGA) under the supervision of the CBB.

Israel

The **Bank of Israel** has issued a [publication](#) detailing the measures taken and barriers removed to enable the establishment of digital banks. It says that in order to encourage the establishment of new banks, it has decided to standardise, shorten, and simplify the process, remove entry barriers to the banking system, and create regulatory certainty at an early stage of the process for any entrepreneur interested in establishing a bank.

Egypt

The **Central Bank of Egypt** has issued a [circular](#) stating youths aged 16-21 are permitted to open bank accounts, without their parents or guardians' approval. They will have access to a limited number of banking services that are suitable for their eligibility criteria.

US

It seems the US will continue to use sanctions as a key policy tool in the Middle East under the Biden presidency. The **Office of Foreign Assets Control (OFAC)** has announced sanctions and visa bans against Saudi citizens accused of the 2018 killing of journalist [Jamal Khashoggi](#), but stopped short of imposing sanctions on Crown Prince Mohammed bin Salman himself.

Additionally, the US is reportedly weighing up sanctions against the head of the [Central Bank of Lebanon](#), Riad Salameh, as part of an investigation into the alleged embezzlement of public funds. If sanctions are imposed, this would be a rare case in which a foreign government has taken action against the sitting head of a central bank over alleged corruption.

The US has suspended some of the terrorism sanctions imposed on Yemen's Houthi rebels in the final days of the Trump presidency. It has, however, sanctioned [two "key military leaders"](#) of the movement for orchestrating attacks impacting Yemeni civilians which have fueled the conflict and worsened the country's humanitarian crisis.

In other sanctions developments, OFAC has made updates to both its [CAATSA - Russia-related Designated Nationals List](#) and its [Burma-related Designated Nationals List](#).

The **US Congress** passed the [Anti-Money Laundering Act of 2020 \(AMLA\)](#), which makes significant amendments and enhancements to AML/CFT requirements. One of the main enhancements is the requirement for certain "reporting companies" to disclose beneficial ownership information to FinCEN.



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