THE DFSA'S FINANCIAL CRIME PREVENTION PROGRAMME

2018 AML REPORT

Dubai Financial Services Authority

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MESSAGE FROM THE CHIEF EXECUTIVE

The DFSA is committed to helping the UAE in fulfilling its obligations as part of the international community. The DFSA is fighting financial crime on a continuous basis. We have shared the UAE National Risk Assessment with our regulated population and we are using the National Risk Assessment to develop our own financial crime prevention programme. This report summarises some key elements and findings from our financial crime prevention programme for 2018.

Fighting financial crime has been a key objective and a top priority for the DFSA since the formation of the Dubai International Financial Centre. In this role, the DFSA has focused its effort to achieving compliance with the FATF Recommendations. The DFSA is also committed to ensuring our regulated population understands and is compliant with UAE Federal AML Laws. We are committed to the fight against illicit finance and we are proud of our accomplishments along the way. However, we acknowledge that we must continually adapt and evolve as financial criminals are adapting and evolving too.

Bryan Stirewalt
Chief Executive
Dubai Financial Services Authority
September 2019

INTRODUCTION

The United Arab Emirates (UAE), the Emirate of Dubai and its Financial Free Zone (the Dubai International Financial Centre (DIFC)) enjoys a strategic geographic location, positioned between Asia, Europe, and Africa. The UAE has a long history as a global hub for trade and financial activity, due to its strong economy and location.

As the anti-money laundering (AML) supervisory authority responsible for firms[1] operating in and from the DIFC, the Dubai Financial Services Authority (DFSA) and our other national and international regulatory peers and government authorities share a common goal in fighting financial crime. This report on the DFSA's Financial Crime Prevention Programme for 2018 provides an update and some analysis of the trends and issues that the DFSA has identified through its supervisory oversight of firms operating from the DIFC. The report also highlights some of the key observations and results from the information that firms submitted in 2017 and 2018 through the annual AML Return. At the end of 2018, the DFSA was responsible for 491 Authorised Firms (including three Credit Rating Agencies), 116 Designated Non-Financial Businesses and Professions (DNFBPs) and 16 Registered Auditors.

The DFSA digitalised its annual AML Return in 2017, which greatly improved our data analysis capability in this area. The DFSA understands that our efforts to combat financial crime must be carried out under the AML/CTF framework of the UAE and in collaboration with our regulated community and other government authorities, domestic and foreign regulators and law enforcement agencies, and corporate registrars including the DIFC Registrar of Companies.

The DFSA would like to take this opportunity to thank all of its regulated entities that have been submitting data via its annual AML Return over the past four years and that have participated in the various risk assessments and outreach events that we have hosted. We trust that the information in this report will be useful to our regulated community, as well as to our other stakeholders involved in tackling financial crime.

THE DFSA'S REGULATORY MANDATE

The DFSA is the independent regulator of financial and ancillary services conducted in or from the Dubai International Financial Centre (DIFC), a purpose-built Financial Free Zone in Dubai. In addition to regulating financial services, the DFSA is responsible for supervising and enforcing Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Sanctions Compliance requirements applicable in the DIFC, in cooperation with the UAE Federal authorities. Financial crime risks have always been a key regulatory priority and continue to be one of the DFSA's key regulatory priorities as outlined in the 2019/2020 Business Plan.

1 Any reference to a firm should be read as a reference to a Relevant Person as defined in AML 1.1.2. of the DFSA Rulebook.

POLICY DEVELOPMENTS

The DFSA carried out an extensive review of its AML/CTF regime (via a self-assessment process) in late 2017, to assess whether our regime is fully aligned with the international standards set by the FATF. In February and April 2018, the DFSA consulted on proposals to ensure that our Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Module (AML Module), and the relevant provisions in the Regulatory Law 2004, remain in line with such standards and best international practice.

On 3 October 2018, His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and the Ruler of Dubai, enacted the Regulatory Law Amendment Law, DIFC Law No. (6) of 2018. The Law, which amended the Regulatory Law 2004, came into force on 29 October 2018 and, together with changes to the DFSA's AML Module, made a number of important changes to the regulatory regime in the DIFC. The updated AML Module also strengthened the DFSA's regulatory approach to how firms carry out Customer Due Diligence (CDD) to ensure alignment with the FATF Recommendations. The DFSA prepared a Question and Answer document addressing the most commonly posed questions in response to these changes. The document can be found on the DFSA website.[2]

Enhancements to the DFSA's AML/CTF regime, were informed and strengthened by the following key initiatives:

- The UAE Government assessed the UAE's AML/CTF and Sanctions Compliance framework and put in place plans to address any identified deficiencies, which included changes to the legislative framework in the UAE. This resulted in the issue of a new Federal AML Law and cabinet decisions in relation to AML/CTF and Sanctions Compliance. We are committed to ensuring continued compliance with the Federal AML Law and cabinet decisions.

- The Financial Intelligence Unit (FIU) of the UAE, has worked on enhancing its Suspicious Reporting framework, which went live at the end of June 2019.

- The DIFC Registrar of Companies issued new Beneficial Ownership Regulations in the DIFC.

We have also engaged with relevant institutions in order to develop an understanding of how the adoption of digital on-boarding solutions and distributed ledger technologies affects firms' Know your Customer/Customer Due Diligence practices. New technologies will be an important part of our supervisory emphasis for years to come.

2 http://dfsa.ae/CMSPages/GetFile.aspx?guid=f51814ed-f99e-4479-9190-7c9643b396e8

HOW OUR AML SUPERVISORY APPROACH IS EVOLVING

The DFSA's Board of Directors has always had a low risk tolerance (i.e. a high level of concern) when it comes to financial crime risks. The Board's Risk Tolerance feeds into the DFSA's regulatory priorities and this directs the prioritisation of our resources. This also influences our business activities such as licensing, supervision and enforcement, and our policy and implementation of international standards set by the FATF.

In 2018, the DFSA restructured its Supervision Division based on the future projected growth of regulated entities and the assessment of global, regional and international developments. The primary objective of the restructure was to deploy supervisory resources more effectively and efficiently, and to further refine the DFSA's risk-based supervisory approach for the ever-changing nature and complexity of risk profiles and business models in the DIFC. The three key areas of focus are Prudential Risks, Conduct of Business Risks, which includes financial crime, and Operational and Business Technology Risks. Enhancing corporate governance is a key responsibility of every risk team.

With the restructure of the Supervision Division, the Financial Crime Prevention Team (FCP Team) is now responsible for the oversight of financial crime risks. This includes reviewing financial crime risk across the entire supervised population, rather than just certain individual firms or groups of firms. The population also covers DNFBPs and Registered Auditors registered in the DIFC. Since 2014, the DFSA has obtained AML related information lodged by its financial institutions and DNFBPs through an annual AML Return. As part of our risk-based approach to supervision and our digitalisation efforts, since 2017 these returns have been submitted through an online portal. This enabled the DFSA to conduct a more thorough analysis of such information.

As a result of the restructure, the DFSA enhanced its risk-based approach to AML/CTF and Sanctions Compliance supervision to ensure it is able to target its resources most effectively on the firms and sectors that present the highest inherent financial crime risk. The DFSA utilises a range of data and information to develop its supervisory approach. This includes the UAE National Risk Assessment (UAE NRA), the DFSA Sectoral Risk Assessment of money laundering and terrorist financing, and information received from the annual AML Return. The DFSA's primary areas of focus are consistent with the risks identified in the UAE NRA and the DFSA Sectoral Risk Assessment. The DFSA also seeks to ensure strong awareness and AML/CTF and Sanctions Compliance in all the firms supervised.

The DFSA also updated FAQs on its website for general information purposes and based on comments the DFSA received on CP120 "Proposed changes to the DFSA's AML CTF Regime" published in April 2018. The DFSA will continue to update its website where it considers this may be helpful to firms.

THE DFSA'S RISK-BASED APPROACH TO SUPERVISION

Our heightened concern for money laundering and terrorism financing activity or breaches of UN sanctions is reflected in the DFSA's authorisation and supervisory practices. When a prospective institution submits an application for DFSA authorisation, the authorisation team considers a number of key factors such as the applicant's jurisdiction of origin, business model, fitness and propriety of the controllers, ultimate beneficial owners, senior management and related entities. Once authorised, the DFSA conducts ongoing screening of beneficial owners/controllers and senior management of a financial institution. Following authorisation, the DFSA has a risk-based supervisory approach for supervising authorised entities. Supervision consists of on-site risk assessments and ongoing monitoring of financial and regulatory returns. The DFSA's supervisory framework highlights AML/CTF for all risk assessments. AML/CTF risks are assessed and the effectiveness of risk management evaluated as part of all on-site risk assessments. Risk Mitigation Plans are implemented and enforced as required.

TARGETED AML REVIEWS

Targeted AML/CTF-focused reviews are an important element of the DFSA's Financial Crime Prevention Programme. These reviews involve more extensive AML/CTF supervisory work, especially on high impact firms. The reviews cover a broad spectrum of touch points including on-site visits, thematic reviews, meetings with senior management, and focused visits where specific areas of concerns and/or problems are addressed. Such reviews are conducted to ensure that firms have identified AML/CTF and sanctions-related specific risks faced by their business and have implemented appropriate mitigating controls.

AML targeted on-site visits are generally referred to as AML Risk Assessments, which are comprehensive assessments that evaluate the financial crime prevention framework of a firm. They may be part of broader supervisory visits or conducted on a standalone basis. AML Risk Assessments are generally divided into two stages; the first phase is a desk-based review followed by an on-site visit that includes an in-depth review of pre-selected client files.

The following section outlines the DFSA's findings from the AML focused Risk Assessments conducted in 2018 for Authorised Firms and DNFBPs.

Overall findings from Authorised Firm Targeted AML Risk Assessments

The FCP Team conducted targeted AML Risk Assessments in 2018. These visits were conducted alongside other periodic risk assessments, carried out by the wider Supervision Teams that included an assessment of a Firm's AML/CTF and Sanctions Compliance systems and controls in some instances. The DFSA noted that the AML/CTF and Sanctions Compliance systems and controls of the majority of the Authorised Firms visited were considered adequate, with no material weaknesses identified. However, for a number of the firms visited, the final report included observations regarding possible further enhancements to the Business AML Risk Assessment for the Authorised Firms' senior management to consider. The DFSA also noted improvements in relation to Customer Due Diligence and Enhanced Due Diligence issues. Further, the DFSA saw improvements of Source of Wealth and Source of Funds documentation in firms where previous deficiencies were identified.

Overall findings from DNFBPs Targeted AML Risk Assessments

In the last quarter of 2017, the DFSA enhanced its supervisory approach towards DNFBPs to include AML Risk Assessments. The DFSA had conducted inspections of 30 DNFBPs in 2018. Overall, the DFSA found that the majority of the entities did not fully comply with the AML Module of the DFSA Rulebook. Areas of deficiencies included the Business AML Risk Assessment, AML resources, and ongoing monitoring of customers. Overall, the understanding of ML/TF risk is considered to be much less developed among DNFBPs compared to Authorised Firms and Registered Auditors. While some entities do appear to understand their ML/TF risks and have adequate controls to mitigate them, the understanding is uneven across DNFBP sectors. The DFSA will continue to provide DNFBPs with adequate feedback and guidance on compliance with AML/CTF and Sanctions Compliance requirements in order to improve the level of AML/CTF compliance, and to discourage attempts by criminals to abuse the financial and DNFBP sectors, particularly in the sectors most exposed to money laundering and terrorist financing risks.

THE DFSA'S RISK-BASED APPROACH TO SUPERVISION

TARGETED AML CLIENT FILE REVIEWS

As part of its Financial Crime Prevention Programme, the DFSA also conducts Client File Reviews. Client File Reviews generally refer to on-site visits to ensure that a firm has conducted its CDD obligations (when onboarding and on an ongoing basis) in line with the DFSA's AML/CTF requirements. Such reviews may take place after licensing and when an entity has on-boarded a sufficient number of clients; or as part of the monitoring conducted as part of the DFSA's Financial Crime Prevention Programme.

In 2018, a number of the Client File Reviews found areas for improvement in relation to the Customer Risk Assessment framework and the application of the CDD requirements at the time of onboarding and on an ongoing basis. We addressed these improvement opportunities through corrective measures at the individual institutions.

SECTORAL AND THEMATIC REVIEWS

In 2018, the DFSA published a Dear SEO letter setting out the findings of its Financial Crime Thematic Review conducted in 2017. The thematic review focused on Authorised Firms and assessed a number of key areas such as: how firms go about conducting their Business Risk Assessment; the effectiveness of ongoing CDD including transaction monitoring; and the process and quality of suspicious activity reporting. Similar to the findings of the AML Risk Assessments, the results revealed that more than half of the reviewed population required improvements to their Business AML Risk Assessment including more interactive involvement from senior management in the assessment process. The findings of the thematic review can be found here.[3]

In 2018, the DFSA conducted a sectoral review of DNFBPs in the Accounting sector and the financial crime risk controls employed by the handful of entities in this sector. The Accounting Sector Thematic Review identified the activities undertaken as part of the services offered by firms to clients, the risks those activities pose and then assessed the quality of systems and controls utilised by firms in the accounting sector to address AML/CTF risks. The findings of the thematic review will be shared with the Accounting sector.

OUTREACH EVENTS

The DFSA continues to engage with the industry by means of outreach. In February 2018, we hosted an outreach for DNFBPs to discuss the proposed changes to the AML regime. Also in February 2018, the FCP Team participated in the Annual Audit Outreach session where an update on the preparation process for the upcoming FATF Mutual Evaluation taking place in 2019 was provided.

In June 2018, as part of the Annual Supervision Outreach, general updates were provided to firms as well as details of our key findings from the 2017 AML Annual Returns. The DFSA also engaged the audience to understand the rationale behind the trends presented. In November 2018, the DFSA Authorisation Outreach was held and the FCP Team presented on the recent changes to the AML Module as well as a further update on the preparations for the UAE's FATF Mutual Evaluation.

Since 2015, the DFSA has conducted annual Supervision Outreach sessions for all stakeholders. The sessions have always included a dedicated session on financial crime risks during which a number of DFSA staff highlight current and emerging risks.

3 http://www.dfsa.ae/CMSPages/GetFile.aspx?guid=356f3114-7d77-4d87-ba82-45e6419c94ca

INVESTIGATIONS

During 2018, the DFSA's Enforcement Team continued to prioritise cases that dealt with financial crime risks in line with the DFSA's Board Risk Tolerance. The Enforcement Team, in line with its mandate, provided assistance to UAE Authorities and to other regulators in relation to ongoing matters within their respective jurisdictions.

GENERAL UPDATES

AML Queries: On 1 January 2018, the DFSA required all firms to submit AML queries through the Supervised Firm Contact form. The online submission of queries enables the DFSA to analyse all AML related issues and identify areas that require additional guidance.

Website Enhancements: Enhancements to the available ML/TF and Sanctions information on the DFSA website took place in 2018 and remains an ongoing project for 2019.

THE DFSA'S ANNUAL AML RETURN

In July 2013, the DFSA introduced the annual AML Return form (the AML Return) for all Authorised Firms and a majority of DNFBP sectors[4]. The overall structure of the AML Return was designed to mirror the relevant provisions and obligations of firms as set out in the AML Module of the DFSA Rulebook. Initially, the AML Return was primarily narrative in nature and required firms to include practical examples demonstrating how they had complied with their obligations under the AML Module. The DFSA used the information in the AML Returns to enhance its understanding of the AML/CTF landscape and risks in this sector in the DIFC.

In July 2017, the DFSA introduced an e-portal enabling firms to submit regulatory reports online. This change was in response to the vast increase in the number of firm online submissions year on year, and part of efforts to enhance and improve how the DFSA interacts with its regulated community. The introduction of the online AML Return helps the DFSA gather data more efficiently and enables the DFSA to generalise trends in the industry and amongst firm categories. This helps the DFSA to achieve compliance with global standards for combating financial crime. In addition, the online Return enables firms to review and save their responses for accurate submission. The form is also designed to tailor additional questions according to the firms' responses. Further enhancements were also made in 2018 to the online Return.

The new online Return requires firms to self-assess compliance with requirements in the AML Module and certify the firm's level of compliance. Key qualitative data remains part of the structure. The new format allows the DFSA to have an overall snapshot of the AML landscape and risks for all supervised firms in the DIFC at a given time. In addition, the new format provides early warning to the FCP Team to review red flags generated by the AML Return and follow up with the relevant firm.

The information submitted in the AML Return is part of our desk-based risk assessment process conducted prior to an on-site risk assessment visit. Further, the AML Return assists in the selection process and prioritising of firms for on-site risk assessment visits.

4 From 28 October 2018, all DNFBPs are required to submit an annual AML Return.

THE DFSA'S ANNUAL AML RETURN

ANALYSIS OF ANNUAL AML RETURN

One of the main objectives of this report is to share the DFSA's findings and to highlight some of the key results from the annual AML Returns over the past two years. We will continue to evolve this tool to allow us to assess firms' compliance with their AML/CTF and Sanctions Compliance obligations.

For the reporting period ending September 2018, the DFSA noted that 98% of firms completed the AML Return on time. The AML Returns gave us an insight into the following areas:

1. AML BUSINESS RISK ASSESSMENT

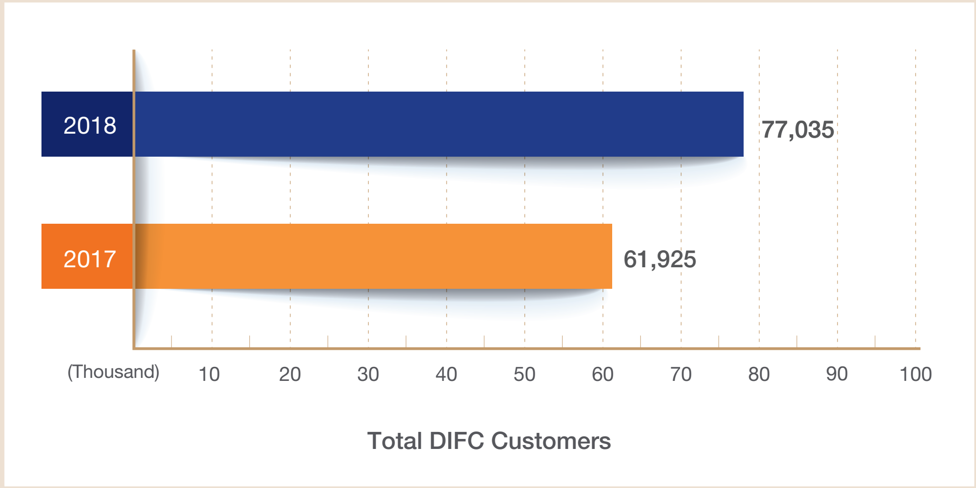
The majority of the firms certified that senior management were satisfied that they have adequately assessed the firm's business ML/TF risks in accordance with the DFSA's AML Rules. However, this does not reflect the findings from the risk assessment visits and thematic reviews conducted - as discussed in the Overall Findings from Risk Assessments sections. This is an area of focus for the DFSA and we will continue to monitor this aspect of submissions.

2. TYPE OF CUSTOMERS

The AML Returns provided the DFSA with data on the number of customers, types of customers and whether they are classified as PEPs.

In 2018, firms reported a total of 77,035 customer relationships. This is an increase of 24.4% in the number of customers from 2017. It is worth noting that during the same period, the number of firms have increased by approximately 5%, this indicates growth and depth of firms[5]. Firms have also reported that 44% of the customers are non-resident[6] in the UAE.

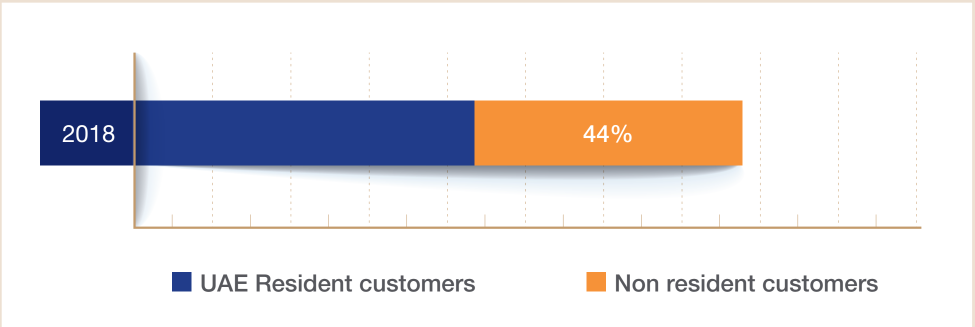
NUMBER OF CUSTOMERS



5 There were 468 Authorised Firms at 31 December 2017 and 491 Authorised Firms at 31 December 2018.
6 Non-resident is defined as individuals (natural persons) who are not ordinarily resident in the UAE, and entities (non-natural persons) who do not have their principal place of business in the UAE.

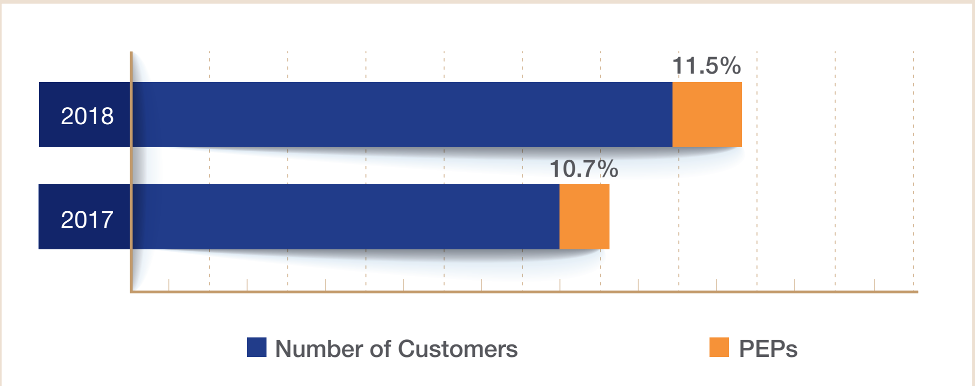
THE DFSA'S ANNUAL AML RETURN

PERCENTAGE OF CUSTOMERS WHO ARE NON-RESIDENT IN THE UAE



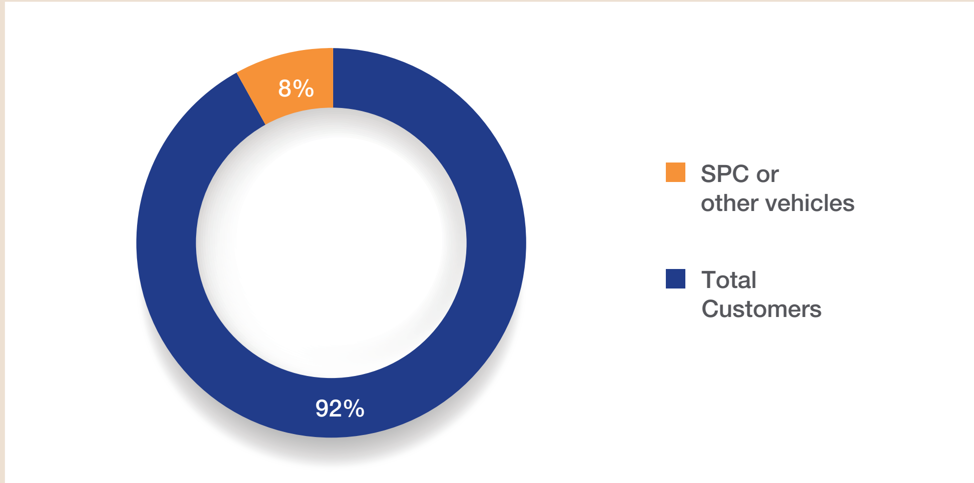
The AML Returns have also captured information on the number of customers that have been identified as Politically Exposed Persons[7]. In 2017, Politically Exposed Persons accounted for 10.7% of the customer population, whereas in 2018, the DFSA noted that this increased to 11.5%. This may appear high, but we believe it is consistent with the DIFC being a wholesale centre.

PERCENTAGE OF CUSTOMERS WHO WERE IDENTIFIED AS POLITICALLY EXPOSED PERSONS



The AML Returns have also captured information on the number of customers that are trusts, Special Purpose Companies (SPC) or other vehicles for holding personal assets. In 2018, they formed 8% of the customer population.

NUMBER OF CUSTOMERS THAT ARE SPECIAL PURPOSE COMPANIES (SPC) OR OTHER VEHICLES FOR HOLDING PERSONAL ASSETS

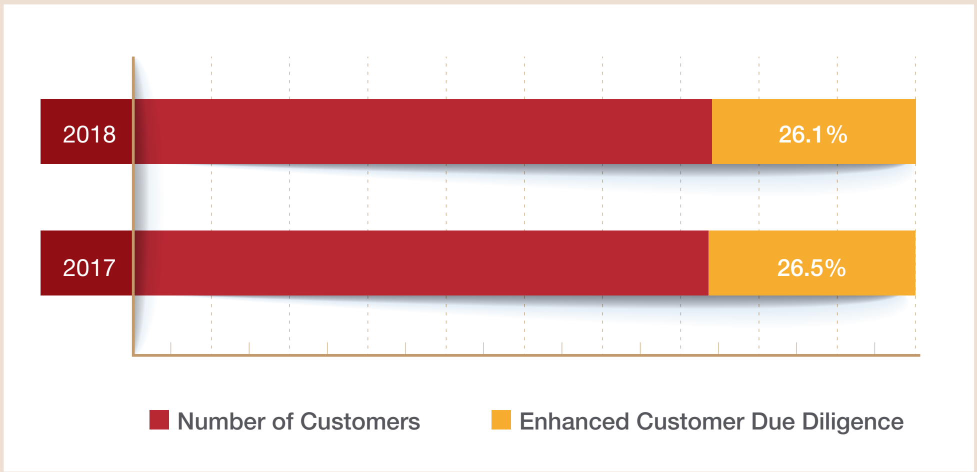


7 Politically Exposed Persons or PEPs is defined in section 3.2 of the AML Module as a natural person (and includes, where relevant, a family member or close associate) who is or has been entrusted with a prominent public function, whether in the State or elsewhere, including but not limited to, a head of state or of government, senior politician, senior government, judicial or military official, ambassador, senior person in an International Organisation, senior executive of a state owned corporation, an important political party official, or a member of senior management or an individual who has been entrusted with similar functions such as a director or a deputy director. This definition does not include middle ranking or more junior individuals in the above categories.

3. CUSTOMER DUE DILIGENCE

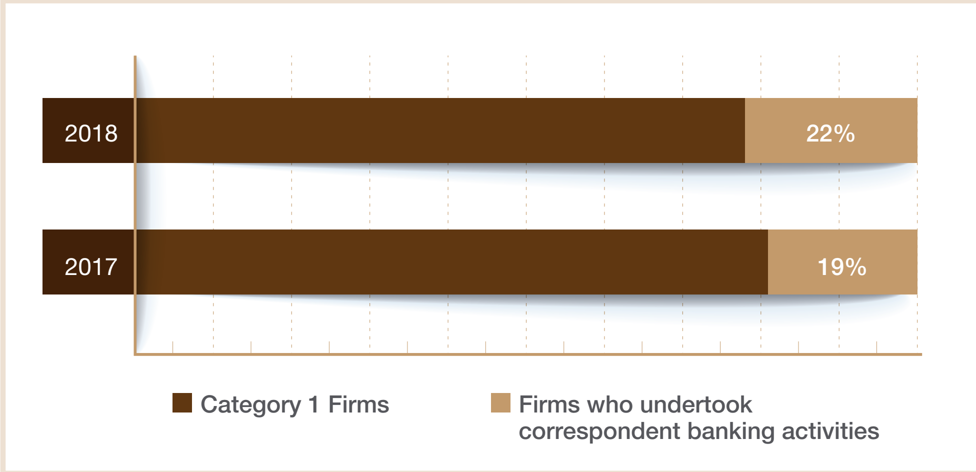
The AML Returns also provided information about the number of customers subject to Enhanced Customer Due Diligence. It was noted that the overall number of customers subject to Enhanced Customer Due Diligence remained stable during 2017 and 2018.

NUMBER OF CUSTOMERS SUBJECT TO ENHANCED DUE DILIGENCE



4. CORRESPONDENT BANKING

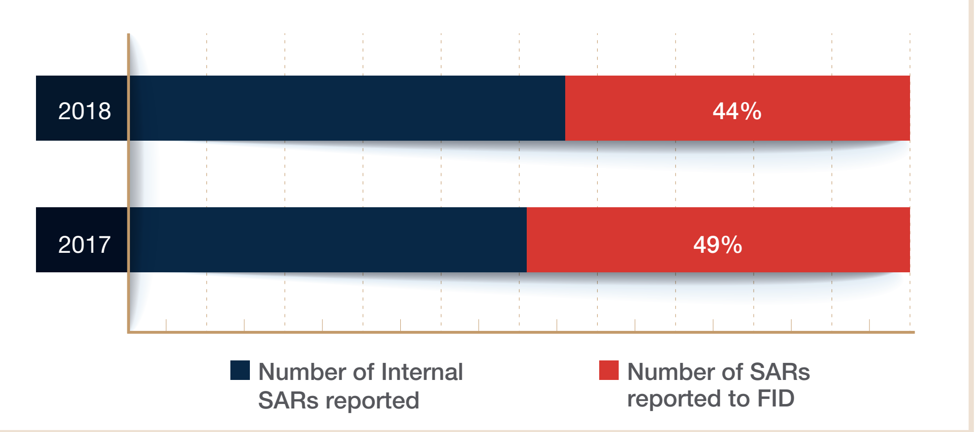
FIRMS UNDERTAKING CORRESPONDENT BANKING ACTIVITIES



Correspondent banking activities were undertaken by 22% of the Authorised Firms within the banking sector in the DIFC in 2018. The DFSA notes this accounts for seven Authorised Firms and reflects a slight increase in the percentage of Authorised Firms who undertook the activity from 2017.

5. SUSPICIOUS ACTIVITY REPORTS

SAR REPORTING 2017 & 2018

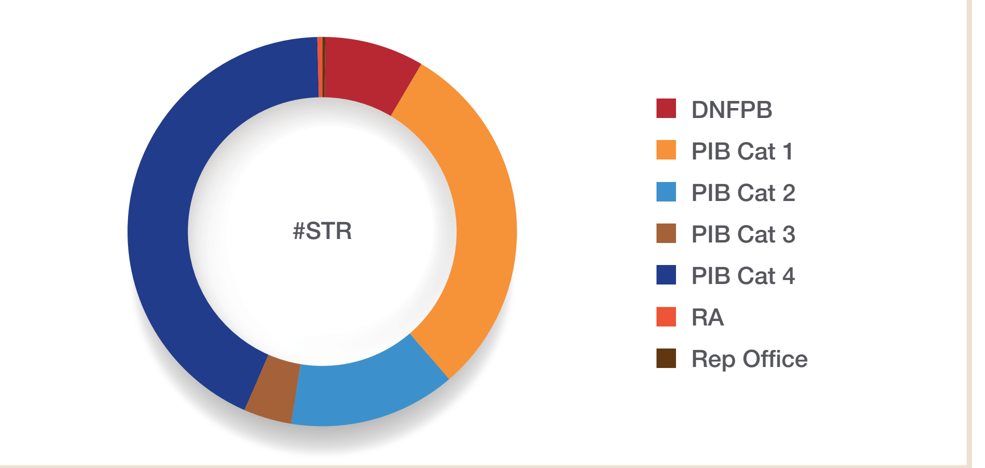


All firms are required to submit a SAR to the FIU UAE, as required under Rule 13.3.1(c) of the AML Module of the DFSA Rulebook and the Federal AML Legislation. In order to ensure firms are meeting their obligations, the DFSA requires all firms to provide statistics to help the DFSA monitor their compliance.

Based on our analysis, the DFSA notes that the number of internal SARs reported increased by 41% from 2017. The DFSA also notes that the number of SARs reported to the FIU increased by approximately 29%. A further review of the sectors of firms that submitted a SAR shows that 95% of the SARs reported to the FIU were by Authorised Firms. The following graph provides a breakdown of the SARs submitted according to the firm categories.

The SAR is reported solely to the FIU, but the DFSA collects subsequent information in aggregate.

SAR REPORTING BY CATEGORY OF FIRM



In order to understand the sources of the SARs, the DFSA enhanced the 2018 AML Return to include data points on the SAR originating source. Based on our analysis, SARs originated as a result of:

Transaction Monitoring	40%
Escalation by a member of staff	35%
Periodic Reviews	9%
Ad-hoc Review/other	16%

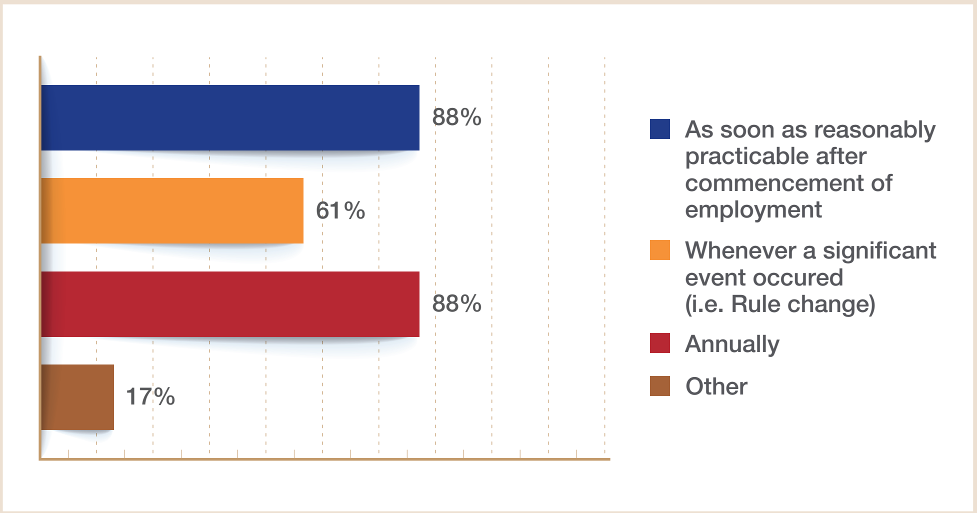
6. COMPLIANCE WITH DOMESTIC AND INTERNATIONAL OBLIGATIONS

The AML Returns noted that senior management in all firms were satisfied that they had systems and controls to monitor relevant resolutions or sanctions issued by the United Nations Security Council, the government of the UAE, government departments of the UAE, the Central Bank of the UAE or the FIU, UAE enforcement agencies, and the DFSA on an ongoing basis. They were further satisfied that they had systems and controls to monitor findings issued by the FATF on an ongoing basis.

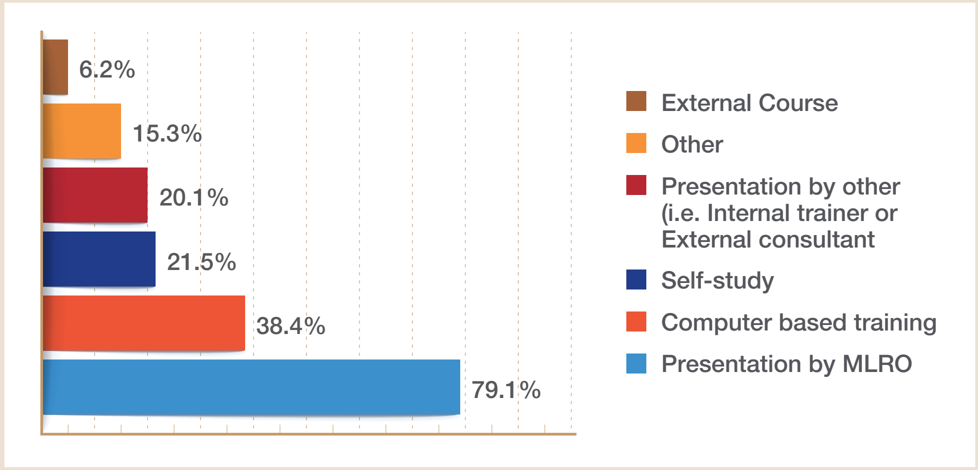
7. AML TRAINING

The majority of firms in the DIFC provide training to their staff at the commencement of employment and which is then continued annually. Two-thirds of firms also provided training when a significant event occurred, such as Rule changes.

FREQUENCY OF AML TRAINING



FREQUENCY OF AML TRAINING



The means of delivering AML training varies across firms. Most firms provide AML training through a presentation by the MLRO, others use different means and some firms provide training to their employees using more than one resource. Other means include DFSA outreach events, AML events or workshops and training by a group company.

8. TRANSACTION MONITORING PROCESS

The AML Returns also capture information on how firms monitor the transactions conducted by customers. We noted that in 2018, 36% of firms used manual systems. This could be seen as a concern, however, given the wholesale nature of the Centre, a number of firms have a small number of clients and transactions. This is also an area of focus for the DFSA and we will continue to monitor this area of submissions.

LOOKING FORWARD

Fighting financial crime will remain a key regulatory priority for the DFSA. We will continue to review our approach to AML supervision, using multiple information sources to further improve how we carry out our work. Given our involvement in the FATF Mutual Evaluation of the UAE, the DFSA will also take into consideration relevant findings from the UAE's Mutual Evaluation Report.

The DFSA Business Plan 2019/2020 highlighted our thematic review of financial crime risk. Given the recent enhancements to the AML Rulebook, we propose to review correspondent banking and sanctions compliance. This has also been proposed as the majority of firms have certified that they have appropriate frameworks in place for sanctions compliance, and noting that the number of notifications submitted to the DFSA relating to sanctions has decreased. We expect to commence this work in early 2020.

At a sectoral level, the DFSA will continue to assess sectors that have been identified as higher risk for their compliance with AML obligations in line with the UAE NRA. Risk mitigation and maintaining a strong AML framework remain at the forefront of what we do at the DFSA, as well as constant evaluation of our rules to ensure they are relevant and applicable to the firms we regulate and that they protect and safeguard investors and consumers in the UAE. We will continue to consult with the firms we supervise regarding any potential changes to our rules.

We will continue to work with all other domestic and international stakeholders, in both the public and the private sectors, as part of the UAE's efforts to fight financial crime and improve its defences against money launderers and terrorist financiers.

The DFSA will continue to use all of its supervisory mechanisms to identify and maintain an understanding of ML/TF risks in the DIFC. The DFSA will utilise various tools to identify and mitigate AML/CTF risks including, but not limited to, desk-based reviews, on-site risk assessment, thematic reviews, and reporting obligations such as annual AML reports.

DFSA'S FINANCIAL CRIME PRIORITIES FOR 2019-2020

- FATF Mutual Evaluation of the UAE
- Risk-based Supervision of Authorised Firms and DNFBPs
- Annual AML Return
- AML focused Risk Assessments
- Sectoral and thematic reviews
- Implementation of AML Rule changes
- Monitoring sanctions compliance