

DFSA

Private Sector Outreach

Designated Non-Financial Businesses and Professions and Registered Auditors in the DIFC

17 June 2021

Legal Disclaimer

DFSA Disclaimer: no reliance:

- Please note that this presentation is only intended to provide a general and informal overview of the matters stated in it. This presentation is not any form of, and must not be relied upon on any basis whatsoever, as legal or professional or any other form of advice and is provided on a general, non-binding basis only.*

Overview

- The DFSA is fully committed to implementing the UAE AML/CTF/CPF National Strategy and Action Plan and supports a number of Federal working groups.
- The DFSA has dedicated legislative framework in the DIFC for AML/CTF/CPF regulatory oversight and compliance that applies to DNFBPs, which includes:
 - Chapter 2 of Part 4 of the Regulatory Law 2004; and
 - the Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Module of the DFSA Rulebook

*Note: this is in addition to the DFSA being responsible for supervising compliance by DNFBPs in the DIFC with requirements in the Federal AML Legislation
- The DFSA applies a risk-based approach to supervision and enforcement with zero tolerance for AML/CTF/CPF negligent or deliberate breaches.
- ***The DFSA emphasizes public / private sector dialogue through outreach sessions, guides, reports, industry forums and consultative papers.***

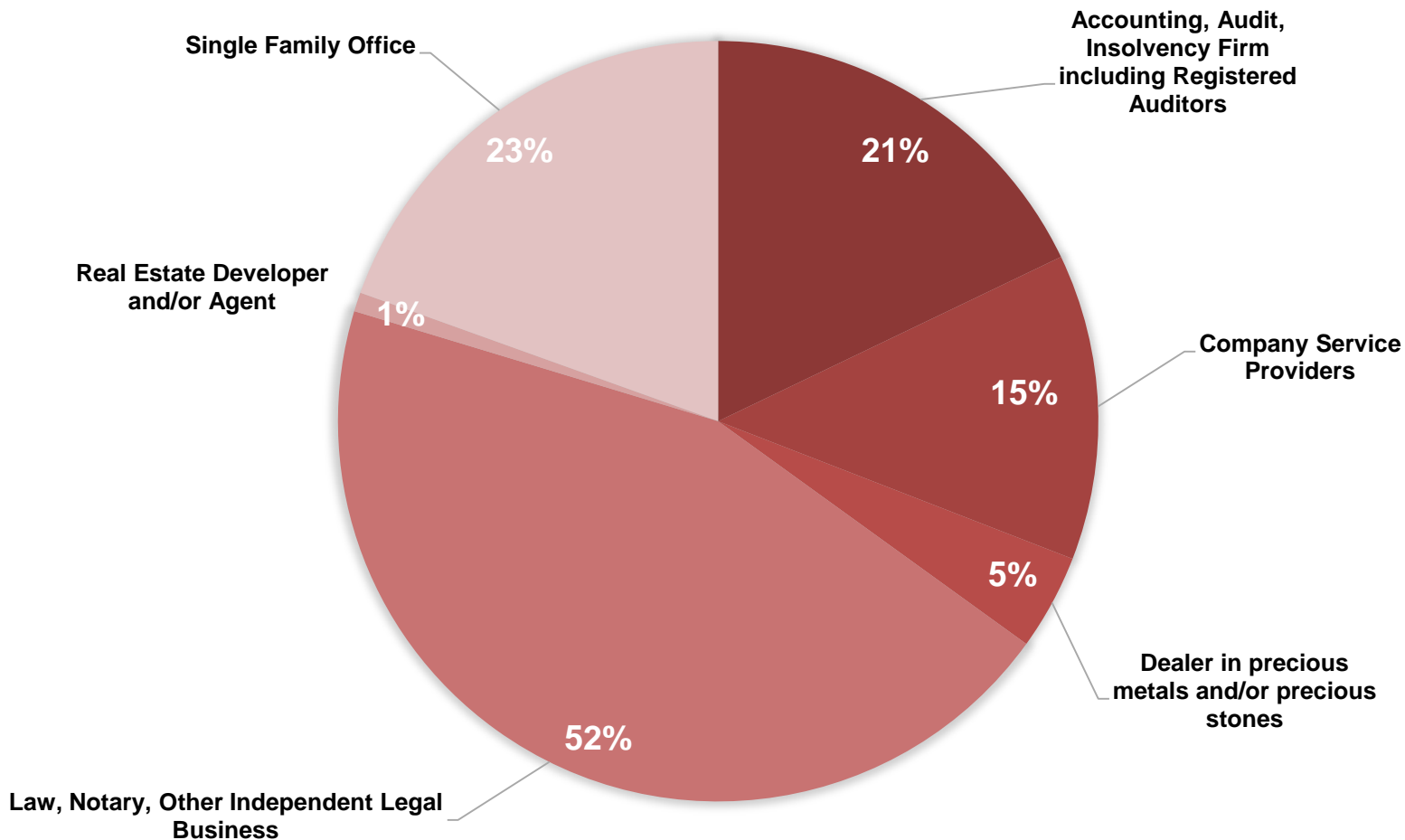
DIFC/DFSA Population

as at 16 June 2021

- 2,600+ companies registered in the DIFC, employing more than 25,000+ people
- 516 Authorised Financial Institutions
- 106 DNFBPs, including: law firms, accounting firms, company service providers and a number of retail businesses
- 17 Registered Auditors
- 3 Credit Rating Agencies



DNFBP Population in the DIFC



Registration and Supervision

- DFSA administers a comprehensive AML/CTF/CPF regime in the DIFC which is in line with its role as a gatekeeper for DNFBPs in the DIFC.
 - Definitions
 - Registration Process
 - Supervision
 - Suspension or withdrawal Powers

Current Areas of Focus (1)

Internal Development

- Enhance the risk-based approach and supervisory attention by prioritising high risk sectors
 - Annual Information Return
 - Annual AML Return
- Devoting resources to Federal working groups
 - MOJ-DFSA delegation agreement
- Improving regulatory reporting
- Creating automated systems to easily extract and retrieve data

Current Areas of Focus (2)

Knowledge Sharing and Communication

- Ongoing Communication
 - DFSA AML/CTF/sanctions webpage
- Encouraging and facilitate sessions with other regulatory authorities
- Issuing guidance for FIs and DNFBPs
- Contributing to national sectoral risk assessments
- Participating in Higher Committees and Sub-committees.

Current Areas of Focus (3)

Ongoing Support to other UAE Competent Authorities

- UAE Financial Intelligence Unit
 - DNFBPs registration on GoAML
- Executive Office of the Committee for Goods and Materials Subject to Import and Export Control
 - DNFBPs registration on TFS Portal
 - Implementation of Targeted Financial Sanctions without delay
- Assisting Ministry of Economy as required
- Assisting the Ministry of Justice as required
- Assisting Law enforcement agencies as required

General Expectations

- Registration: the DFSA adopts a 'substance over form' approach
- Supervision:
 - Engage with regulatory initiatives
 - Prompt notifications in relation to any changes
 - Ongoing assessment of ML/TF and PF Risks
 - Application of preventative measures
 - Reporting of suspicious activity and transactions to the FIU



Thank You