

Eleven banks have been fined in the UAE for money laundering failings

10 Feb 2021 Nicola Sharp.

Nicola Sharp of international financial crime specialists Rahman Ravelli outlines what organisations must do to avoid such penalties.

The UAE Central Bank has imposed financial sanctions of over Dh45.75 million (£9.1 million) on 11 banks for violating anti-money laundering regulations.

In a statement, the Central Bank stated that the penalties reflected the banks' failures to achieve appropriate levels of compliance regarding their anti-money laundering (AML) and sanctions practices. They were imposed under Article 14 of the Federal Decree Law No. (20) of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Financing of Illegal Organisations (AML/CFT Law).

The 11 banks have not been formally named, although India's Bank of Baroda has stated that it has had a Dh6.833 million (£1.36 million) fine imposed on it by UAE Central Bank for violating anti-money laundering regulations. The bank stated that it is considering its options, one of which is to file an appeal in an attempt to have the sanctions lifted.

The imposition of these penalties is yet another indicator that money laundering is an area where increasing obligations are being placed on those operating in business and finance around the globe.

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Wherever a company operates, it has to assess the risk of money laundering, introduce the most appropriate measures to prevent it and then ensure those measures are properly enforced and regularly reviewed. Failure to take any of these steps can prove costly.



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Nicola Sharp is a Legal Director at Rahman Ravelli whose expertise in international fraud, civil recovery and business crime has seen her highly rated in international legal guides. Her experience of leading the most involved and sizeable commercial and financial disputes has led to her being in demand from corporates and large organisations.

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