

4 September 2023

Notice No.: FSRA/FCCP/29/2023

To: Senior Executive Officers (SEO), Money Laundering Reporting Officers (MLRO) and Principal Representatives (PR) of Relevant Persons

Dear SEO/MLRO/RP,

RE: Guidance on Terrorist and Proliferation Financing Red Flags

Pursuant to the provisions of Cabinet Resolution No. (74) of 2020 concerning the UAE list of terrorists and the implementation of the United Nations Security Council decisions relating to preventing and countering financing terrorism and leveraging non-proliferation of weapons of mass destruction; the Executive Office for Control & Non-Proliferation (EOCN) issuing new guidance on Terrorist & Proliferation Financing Red Flags.

All Relevant Persons, Financial Institutions ("FIs), Virtual Assets Service Providers (VASPs) and Designated Non-Financial Businesses and Professions (DNFBPs) are required to refer to the Terrorist & Proliferation Financing Red Flags Guidance and incorporate the most up-to-date Red Flags indicators in their screening systems.

Through the adoption of these measures, Relevant Persons will be strategically positioned to effectively recognize uncommon or suspicious transactions/activities associated with Terrorism Financing (TF) and Proliferation Financing (PF)., including those related to the evasion of targeted financial sanctions (TFS) imposed under United Nations Security Council Resolutions (UNSCRs) or by local designations.

Relevant Persons are reminded of their obligations to ensure compliance with Federal AML Legislation, Cabinet Resolution No. (74) of 2020 and the ADGM AML Rulebook. The Financial Services Regulatory Authority (FSRA) will take appropriate action against Relevant Persons who contravene FSRA-administered regulations and rules and the Federal AML/CFT Laws.

The new Terrorist & Proliferation Financing Red Flags Guidance is published on the FCCP website and can be accessed through this [Link](#).

Sincerely,

Financial & Cyber Crime Prevention Unit