

## THE OUTCOME OF THE UAE FATF MUTUAL EVALUATION (ME)

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ABU DHABI  
GLOBAL MARKET



المكتب التنفيذي لمواجهة غسل  
الأموال وتمويل الإرهاب  
EXECUTIVE OFFICE OF ANTI-MONEY LAUNDERING  
AND COUNTER TERRORISM FINANCING





# About the Executive Office of Anti-Money Laundering and Counter Terrorism Financing

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Established in 2021 by Cabinet Decree, responsible for implementing the National Strategy on Anti-Money Laundering and Countering Financing of Terrorism and overseeing the National Action Plan.

Serves as the primary coordinating body on AML/CFT efforts in the UAE, aiming to strengthen and sustain the nation's AML/CFT structure.

## THREE KEY CORE FUNCTIONS

01

### NATIONAL RISKS & POLICIES

Responsible for monitoring and assessing national risks, developing and proposing policies to mitigate these risks, and conduct relevant assessments.

02

### NATIONAL COORDINATION & FOLLOW-UP

Oversight, adoption, & implementation of national strategy and action plan, in addition to compiling and analyzing national AML/CFT statistics.

03

### COMMUNICATIONS & STRATEGIC PARTNERSHIPS

Looking after international partnerships and enhancing UAE contribution to the global agenda and promoting UAE positioning and reputation as an AML/CFT global leader.

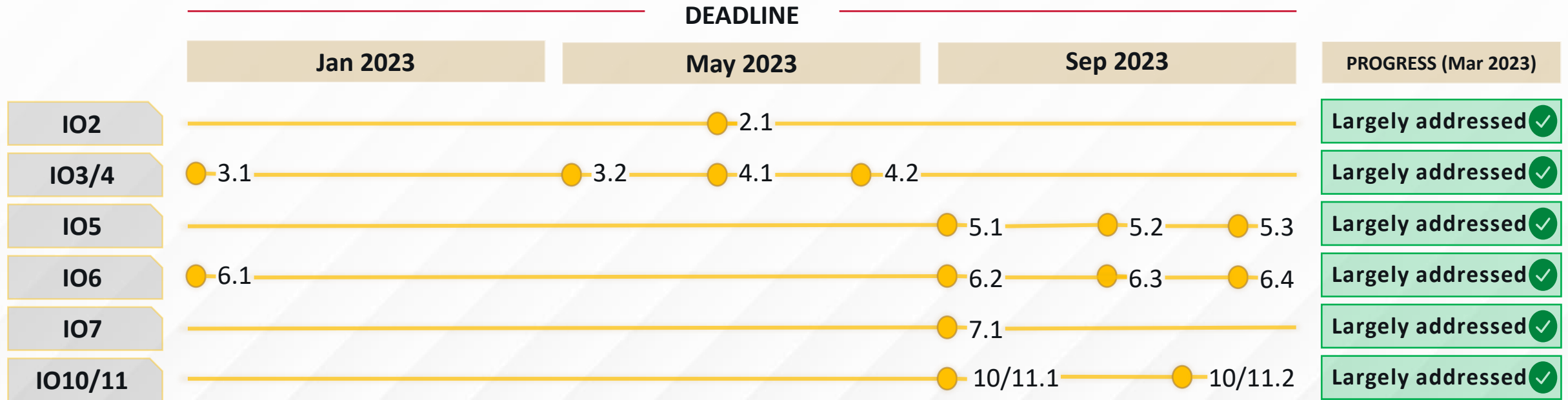
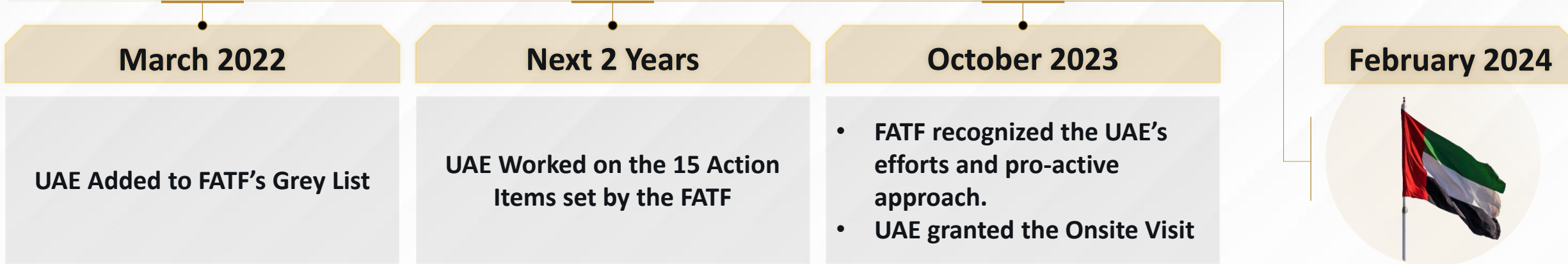


# The UAE's FATF Action Plan and International Cooperation Review Group (ICRG) Process

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# UAE Progress Fulfilling FATF Action Plan





# UAE's Ratings for FATF 40 Recommendations

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# UAE's Ratings for FATF 40 Recommendations



Since May 2023, the UAE is Largely Compliant (LC) / Compliant (C) for 39 out of FATF's 40 Recommendations.

Rec. 1	Rec. 2	Rec. 3	Rec. 4	Rec. 5	Rec. 6	Rec. 7	Rec. 8	Rec. 9	Rec. 10
LC	LC	LC	LC	LC	C	C	LC	C	LC
Rec. 11	Rec. 12	Rec. 13	Rec. 14	Rec. 15	Rec. 16	Rec. 17	Rec. 18	Rec. 19	Rec. 20
LC	LC	C	LC	PC	C	LC	LC	C	C
Rec. 21	Rec. 22	Rec. 23	Rec. 24	Rec. 25	Rec. 26	Rec. 27	Rec. 28	Rec. 29	Rec. 30
LC	LC	LC	LC	LC	C	C	LC	C	C
Rec. 31	Rec. 32	Rec. 33	Rec. 34	Rec. 35	Rec. 36	Rec. 37	Rec. 38	Rec. 39	Rec. 40
C	C	LC	LC	LC	C	LC	LC	C	LC

Compliant (C)

Partially Compliant (PC)

Largely Compliant (LC)

Not-Compliant (NC)



# FATF Methodology and key changes

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## WHAT ARE FATF PROCEDURES

The FATF is the global standard setter to tackle money laundering and the financing of terrorism and the proliferation of weapons of mass destruction. These standards, the FATF Recommendations, aim to prevent these illegal activities and the harm they cause to society.

### Focus on two areas

#### EFFECTIVENESS



The emphasis of any assessment is on **effectiveness**. A country must demonstrate that, in the context of the risks it is exposed to, it has an effective framework to protect the financial system from abuse. The assessment team will look at 11 key areas, or immediate outcomes, to determine the level of effectiveness of a country's efforts.

#### TECHNICAL COMPLIANCE



The assessment also looks at whether a country has met all the **technical** requirements of each of the 40 FATF Recommendations in its laws, regulations and other legal instruments to combat money laundering, and the financing of terrorism and proliferation.



1

A mutual evaluation report provides an in-depth description and analysis of a country's system for preventing criminal abuse of the financial system as well as focused recommendations to the country for further strengthen its system.

2

The MEs look at whether the country has enacted the necessary laws, established the right policies and whether its competent authorities, including its financial intelligence unit and financial supervisors, are properly resourced.

3

FATF has identified 11 immediate outcomes of an effective system that it uses to measure a country's effectiveness in each mutual evaluation report.

4

The mutual evaluation report is a starting point for the country, as it identifies the priority actions that the country must take to strengthen national frameworks and make its AML/CFT/CPF actions more effective.

# What are the key changes to the methodology?



The next round of mutual evaluations will place an even greater focus on effectiveness, to ensure that countries are implementing and making use of the laws, regulations and policies that are being passed.

There will also be a greater emphasis on the major risks and context. This will ensure that countries, and the assessors reviewing them focus on the areas where the risks are highest, not just lower-risk areas where it is comparatively easier to launch investigations and secure convictions.

With this new methodology, ME in the next round will assess the effectiveness of the financial sector and the non-financial businesses and professions separately. This will provide a clearer overview of the level of effectiveness of these distinct areas, and stronger and more targeted recommendations for improvement.

Recommendations from the mutual evaluation reports will be more results-oriented, focusing on specific actions and timelines to tackle money laundering, terrorist financing and the financing of weapons of mass destruction.

The next round of mutual evaluations will be a six-year cycle, significantly shorter than earlier rounds, which lasted 10 years on average.



# Key UAE National Initiatives (2024 – 2025)

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# Key UAE National Initiatives (2024 – 2025)



1

**National Strategy and Action Plan (2024 – 2027).**

2

**National Strategy Performance Monitoring Platform.**

3

**National Statistics Platform.**

4

**FAWRI: Case Management System.**

5

**National Risk Assessment with World Bank Group to publish final report in coming month.**

6

**Building a world-class framework for the regulation of virtual assets and VASPs.**

7

**UAE an observer at Asia/Pacific Group (APG) and will host APG Annual Meeting in Abu Dhabi in September 2024. In addition to participation for the first time in the Eurasia Group (EAG).**

8

**The UAE will train 1,000 professionals in AML/CFT over the next five years and has initiated relevant training sessions with registrars, law enforcement professionals, and supervisors.**