

## *In the Name of Allah the Most gracious, and the Most Merciful*

*Messres/ Members Of Emirates Banks Association.*

*United Arab Emirates*

After Greetings,

We are pleased to present the annual report of Emirates Banks Association for the year 2007, whereas the Association has completed 25 years since its establishment in 1982. The Association seeks with cooperation of your support, to achieve the objectives indicated in its constitution and those recent developments witnessed in the banking business locally, regionally, and globally as well.

Indeed, it is our pleasure to spread out a short outlook to what had been performed and still by the Emirates Banks Association, appreciating your kind continued cooperation, and providing the association with your opinions and views to achieve its goal and continuation of its way of performance:

The Banking Sector in the UAE continued to play its role in supporting the national economy by financing the various economic sectors and serving the society, while maintaining its endeavor to diversify and update its services to cope with the emerging developments and to satisfy the client changing requirements. The year's preliminary results showed that the Banking Sector has achieved impressive growth rates against all indexes, which were greater than those achieved in the previous year. Such considerable growth comes in line with the overall comprehensive and sophisticated economic renaissance in the UAE, which provides the advantages of a secure, suitable and motivating investment climate. International reports confirm that the UAE tops the list of countries enjoying political stability, stable financial and monetary system, and fully integrated and advanced legal frameworks. This most favorable economic environment is due to the prudent leadership of HH Shaikh Khalifa Bin Zayed Al Nahyan, UAE President, and his brother HH Shaikh Mohammad Bin Rashed Al Maktoum, Vice President, Prime Minister, and Ruler of Dubai, supported by their brothers, the Members of the Supreme Federal Council, Rulers of the Emirates, may God bless them all.

Thanking you all for your support and cooperation, and our sincere appreciation and gratitude to the Central Bank of UAE, for the continued cooperation, and consideration paid for supporting the Association's activities, wishing more success and prosperity to all banking community.

Peace, Mercy, and Blessings of Allah Be Upon you.

Abdullah A. Al-Ghurair  
Chairman  
Emirates Banks Association

Date:10/3/2008

# EMIRATES BANKS ASSOCIATION

## ANNUAL REPORT

2007

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- **"Emirates Banks Association is** one of the Societies of Public Interest in the U.A.E.
  - Established at the end of 1982 as **(Association of National Banks)**.
  - Declared by the Ministry of Labour and Social Affairs on 19/7/1985 (Declaration No. 102/52 for 1985).
  - The name was amended to **"Emirates Banks Association"** according to the ministerial resolution No. 23 for 1986 dated 30/1/1986
- **" جمعية مصارف الامارات "** احدى الجمعيات ذات النفع العام في دولة الامارات العربية المتحدة.
  - تأسست أواخر عام 1982 باسم **(جمعية المصارف الوطنية )**.
  - تم اشهارها من قبل وزارة العمل والشئون الاجتماعية بتاريخ 19/7/1985 تحت رقم ( 52/102 لسنة 1985 ) .
  - تم تعديل اسمها ليصبح **" جمعية مصارف الامارات "** بموجب القرار الوزاري رقم 23 لسنة 1986 تاريخ 1986/1/30.

## Objectives

## أهداف الجمعية

- 1- To promote cooperation and harmony among the member banks. 1- تنمية التعاون والانسجام بين البنوك.
- 2- To develop and represent the interests of the member banks and organize their obligations and defend their rights. 2- تنمية وتمثيل مصالح البنوك الاعضاء وتنظيم واجباتهم والدفاع عن حقوقهم .
- 3- To exchange opinions and knowledge in order to serve the interests of the member banks and coordinate the exchange of information and opinions on all matters that concern banks and those in the banking profession. 3- تبادل الافكار والخبرات بما فيه صالح البنوك الاعضاء وتنسيق تبادل المعلومات والآراء في كافة الامور التي تهم المصارف والعاملين في المجال المصرفي.
- 4- To exchange banking, financial and monetary information in the regional and international fields. 4- تبادل المعلومات البنكية والمالية والنقدية في المجالات الاقليمية والدولية.
- 5- To establish a training & research center and encourage nationals to join the banking profession. 5- تأسيس مركز للتدريب والبحوث والعمل على حث المواطنين على الانخراط في العمل المصرفي.
- 6- To extend assistance and provide service to the members and those working in the banking profession. 6- تقديم المساعدات وتأمين الخدمات للاعضاء وللعاملين في الحقل المصرفي.
- 7- To coordinate cooperation in the field of banking procedures and in legal, technical and administrative affairs, in addition, to find solutions to problems encountered by banks and those working in the banking profession. 7- تنسيق التعاون في مجال الاجراءات المصرفية والشؤون القانونية والفنية والادارية بالاضافة الى ايجاد الحلول للمشاكل التي تعترض المصارف والعاملين في المجال المصرفي.
- 8- To publish news bulletins and periodicals and to publish books and booklets on topics which concern the Association and those working in the banking profession. 8- اصدار مجلات ونشرات اخبارية دورية وكذلك نشر الكتب والكتيبات في الموضوعات التي تهم الجمعية والعاملين في المجال المصرفي.
- 9- To carry out all the other works the Association deems necessary in the interests of its members. 9- القيام بجميع الاعمال الاخرى التي تراها الجمعية ضرورية لصالح أعضائها .

## Board of Directors

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## مجلس الإدارة

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**Mr. Abdulla Bin Ahmed Al Ghurair**  
**MashreqBank**  
**Chairman**

السيد عبدالله بن أحمد الغرير  
بنك المشرق  
رئيسا

**H.E. Ahmed Humaid Al Tayer**  
**Commercial Bank of Dubai**  
**Deputy Chairman**

معالي أحمد حميد الطاير  
بنك دبي التجاري  
نائبا للرئيس

**H.E. Khalfan Mohamed Al Roumi**  
**Investbank**  
**Member**

معالي خلفان محمد الرومي  
بنك الاستثمار  
عضوا

**Mr. Rashid Humaid Al Mazroui**  
**Abu Dhabi Commercial Bank**  
**Member**

السيد راشد حميد المزروعي  
بنك أبوظبي التجاري  
عضوا

**Mr. Anis Abdulla Al Jallaf**  
**Emirates Bank International**  
**Member**

السيد أنيس عبدالله الجلاف  
بنك الامارات الدولي  
عضوا

**Mr. Abdullah Ghobash**  
**National Bank of Abu Dhabi**  
**Member – Chairman of Technical**  
**Committee**

السيد عبدالله محمد غباش  
بنك أبوظبي الوطني  
عضوا – رئيس اللجنة الفنية

**Mr. AbdulAziz Abdullah Al Zaabi**  
**National Bank Of Ras Al Khaimah**  
**Member**

السيد عبدالعزيز عبدالله الزعابي  
بنك رأس الخيمة الوطني  
عضوا

**General Manager**  
**Fathi Mahmood Skaik**

المدير العام  
فتحي محمود سكيك

# Some of General Economic Developments 2007

## Some of General Economic Developments In UAE

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- International reports emphasize that the United Arab Emirates is one of the countries enjoying political stability, effective and monetary system and advanced and integrated legal framework.

This contributed to providing adequate, safe and motivating investment climate. This occurs when the UAE is witnessing a comprehensive economic development with high growth rates due to the wise policy adopted by the country and wise leadership of H.H. Shaikh Khalifa Bin Zayed Al Nahyan, President of UAE – may Allah, the Al Mighty, preserve him – and his brother, H.H. Sheikh Mohammed Bin Rashid Al Maktoom, deputy president of the U.A.E. – may Allah, the Al Mighty, protect him – and their brothers, their Highnesses, members of federation supreme council, rulers of Emirates - may Allah, the Al Mighty preserve them all - due to their keenness on encouraging economic diversification to have a balanced and stable economy.

- The 2006 Social and Economic Report on the United Arab Emirates expected an increase by 16.5% in the GDP during the year 2007 to amount to AED 698 billion compared to 599 billion Dirhams in 2006 (at the current rates).

The non-Oil sectors are also expected to grow to AED 455 billion to represent 65% of the GDP in the year 2007, compared to AED 376 billion which represented 63% of the 2006 GDP reflecting a growth rate of 20.5% more than the year 2005.

- The report estimated that investments will go up from AED 121 billion in 2006 to AED 144 billion in 2007 representing a growth rate of 19%. The real estate sector's contribution to GDP share of the non-oil sectors amounted to 12.2% or AED 46.1 billion in 2006.
- H.H Shaikh Khalifa Bin Zayed Al Nahyan, President of the UAE, issued a federal law to establish the Emirates Investment Authority. The law stipulates that the Authority shall be in charge of investing funds allocated for investment on behalf of the Federal Government in a proficient manner to ensure good returns on investment that may contribute to the provision of financial revenues required to support the Federal government's budget.

- H.H Shaikh Khalifa Bin Zayed Al Nahyan, President of the UAE, issued the Federal Law No. 10 of 2007 amending the provisions of the Federal Law No. 8 of 1984 concerning commercial companies. The new Law included a definition for the local family companies that change into public joint stock companies where the partners may retain no more than 70% of its capital and offer no less than 30% for public subscription.
- H.H Shaikh Khalifa Bin Zayed Al Nahyan, President of the UAE, in his capacity as the Ruler of Abu Dhabi, issued the Law No. 23 of 2007 to establish Abu Dhabi Urban Planning Council to be chaired by H.H. General Shaikh Mohamed Bin Zayed Al Nahyan, Crown prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces.
- The law stipulates that a board should be established and named as "Abu Dhabi Urban Planning Council" with a legal and independent personality. It should be financially and administratively independent in all its affairs and should have full legal capacity. It shall be called in the short form as "Urban Planning Council" and Abu Dhabi shall be the seat of its headquarters.
- H.H. Shaikh Mohammed Bin Rashid Al Maktoum, UAE Vice President, Prime Minister and the Ruler of Dubai, issued the Real Estate Law of 2007 (Law No. 4 of 2007, Dubai International Financial Center) and the Collective Ownership Law of 2007 (Law No. 5 of 2007, Dubai International Financial Center). The Real Estate Law ensures free ownership of lands and properties in the areas affiliated to Dubai International Financial Center. However, the Collective Property Law sets forth the guaranty system in the ownership housing units in buildings constructed within the Center's area.
- H.H. Shaikh Mohammed Bin Rashid Al Maktoum, UAE Vice President and Prime Minister, in his capacity as the Ruler of Dubai, issued the Law No. 3 of 2007 pertaining to the creation of a Financial Control Department, consisting of 32 articles. The most important article of the law is the third article which defines the duties of the new department in the area of financial control over department to be subjected to its control. The department will be reporting to the Ruler.
- H.H. Shaikh Mohammed Bin Rashid Al Maktoum, the Vice President, the Prime Minister and the Ruler of Dubai has initiated the First Arabic Scientific Revolution by creating Mohammed Bin Rashid Al Maktoum Establishment which aims at launching Arabic regional development efforts and investing in the young minds and capabilities. A fund of AED 37 billion (US\$ 10 billion) was established to finance the projects of the Establishment which will start its activities by the end of 2007.
- The UAE Cabinet approved the largest federal budget for the fiscal year 2008 amounting to AED 34.9 billion reflecting an increase of AED 6.7 billion or a growth rate of 23.8% over the fiscal year 2007. The amount of AED 1.440 billion was allocated for the strategy programs of the federal government.

- The budget included three key features. It is well-balanced and free of deficit for the fourth time. It also included provision for wage and salaries increments of 70% on the basic salary for all the employees of the ministries and federal departments (in addition to giving priority to implementing the strategies of the various ministries to help them achieve their goals according to the plans of 2008).
- After its publication in the Official Gazette as approved by the Council of Ministers, work has started on the Executive By-laws of the Federal Law pertaining to the Financial Free Zones (FFZ), previously issued as Law No. 8 of 2004. The Law set forth the financial activities permitted to be practiced by these free zones as follows:
  - o Banking and financial services;
  - o Insurance and reinsurance;
  - o Financial market activities and financial and monetary brokerage;
  - o Auxiliary activities licensed to be practiced by the FFZ.
- The Arab Monetary Fund (AMF) expected that UAE reserves will amount to about US\$ 32.5 billion by the end of 2007. Exports will amount to about US\$ 172 billion and imports to about US\$ 149 billion during 2006. AMF also expected that the total public debt will go down to approximately 7.7% of the GDP from about 8.1% in the previous year.

<b>Economic indicators and projections for the UAE in the years 2005-2008</b>				
<b>As published By the International Credit Assessment Agency (Moody's)</b>				
	2005	2006	2007	2008
Nominal GDP (\$ billion)	<b>132.2</b>	<b>163.2</b>	<b>190.6</b>	<b>222.2</b>
Growth of the Nominal GDP %	<b>25.6</b>	<b>23.4</b>	<b>16.8</b>	<b>16.6</b>
GDP per capita (\$ 1000)	<b>32.2</b>	<b>38.6</b>	<b>42.5</b>	<b>46.68</b>
Growth of Actual GDP %	<b>8.2</b>	<b>9.4</b>	<b>7.1</b>	<b>7.2</b>
Inflation %	<b>7.8</b>	<b>9.4</b>	<b>9</b>	<b>7.8</b>
Gross investment to national product %	<b>20.5</b>	<b>21.3</b>	<b>20.8</b>	<b>20.4</b>
Total national savings to domestic product	<b>40.8</b>	<b>43.9</b>	<b>43.6</b>	<b>43.6</b>
Monetary surplus to domestic product %	<b>20.4</b>	<b>28.8</b>	<b>30</b>	<b>30.6</b>
Total foreign debt (\$ billion)	<b>43.1</b>	<b>84.4</b>	<b>102.8</b>	<b>120.9</b>
Current accounts surplus (\$ billion)	<b>24.4</b>	<b>35.2</b>	<b>43.3</b>	<b>51.5</b>

- Forecasts included in the 2006 Economic and Social Report for the UAE indicated that its population will grow up to 4.488 million people in 2007 with an increase of 259 thousand people over 2006. Consequently, there will be an increase in the ultimate consumption expenditure to AED 400 billion with a growth rate of 21.2% compared to 2006. It is also expected that number of the work force will increase to amount to 3.065 million workers in the economic and social sectors, which represents 68% of the population and reflects an increase of 7.8% of the work force in 2006.

- His Highness Shaikh Mohammad Bin Rashid Al Maktoum, UAE Vice President, Prime Minister and Ruler of Dubai, in his capacity as the Ruler of Dubai, issued Decree No. (8) of 2007 pertaining to Dubai's budget for the fiscal year 2008 which is expected to achieve a surplus of AED 11.4 billion compared to \$5.1 billion in 2007.

However, the total expected revenues estimates for 2008 amounted to approx. AED135, while the budgeted expenditure estimates were AED 123.6 billion.

- Her Excellency Shaikha Lubna Bint Khalid Al Qasimi, Minister of Economy, announced that inflation rates in 2006 ran around 9.3% in UAE. This high rate was the result of increased demand for commodities and real estates as well as the rising fuel prices.

### **The industrial sector development pursuant to the Recommendations of the Cabinet as part the Federal Government Strategy**

<b>Growth in the number of industrial enterprises in the UAE (2003 – 2007)</b>					
Industrial activity	2003	2004	2005	2006	2007
Number of enterprises	2795	3036	3294	3567	3852
Growth percentage	0	%8.60	%17.90	%27.60	%37.80

<b>Investment Growth (in AED million) in the industrial enterprises in the UAE (2003 – 2007)</b>					
Industrial activity	2003	2004	2005	2006	2007
Investment (in AED million)	43647	62978	68223	70424	72635
Growth percentage	0	%44.30	%56.30	%61.30	%66.40

<b>Growth in the Labor Force in the industrial enterprises in the UAE (2003 – 2007)</b>					
Industrial activity	2003	2004	2005	2006	2007
Number of labor	212697	231275	245707	264719	288180
Growth percentage	0	%8.70	%15.50	%24.50	%35.50

### **(Emirates Aluminum) Incorporation Agreement at a cost of AED 29.4 billion**

- An agreement was signed between Dubai Aluminum Company Ltd (DUBAL) and Mobadalah Investment and Advancement Development Co. to establish a joint venture in the form of the Emirates Aluminum (EMAL) at a total cost of approx. AED 29.4 billion (\$8 billion). Under this agreement, the two parties will execute the said joint venture in two phases. It will comprise the construction and

operation of a huge industrial complex to manufacture aluminum. The JV project will also comprise other associated or attached installations and it will be built in the Khalifa Port and Industrial Zone, Abu Dhabi. The estimated costs are around \$5 billion for first phase and \$3 billion for second phase. The industrial complex will have a production capacity of 1.4 million ton per annum, making it the world's largest stand alone aluminum foundry facility.

- All economic and investment feasibility studies for establishment of Abu Dhabi Aluminum Company and building an aluminum foundry as well as alumina refinery were completed in anticipation to starting actual production by 2011.
- The total investment in the Company amounts to approx. \$20 billion (the equivalent of AED 73.4 billion). The new company is a strategic alliance between the public holding company, whose Chairman of the Board is Shaikh Hamed Bin Zayed Al Nahyan, and the Australian Rio Tinto- Group, the world's largest group in the field of aluminum, iron and copper, as well as other minerals.
- It was announced that the National Sugar Refining Company will build the first sugar refinery in the Industrial Zone, City of Mussafah, Abu Dhabi (ICAD II) with a GCC mutual capital of \$150 million. The new refinery will have a production capacity of 750 thousand tons of refined sugar per year.

### **The announcement of the strategic plans of the UAE was one of the most significant events in 2007**

- In April 2007, the strategy of the UAE government was initiated. The strategy reflected the prudent and far-reaching vision of H.H. Shaikh Khalifa bin Zayed Al Nahyan, UAE President and his brother H.H. Shaikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister, Ruler of Dubai was launched with objective of placing the UAE among the developed nation economically, socially and administratively. The strategy aims at achieving sustainable and balanced development, ensuring well being and prosperity to the citizens and enhancing the UAE standing, regionally and internationally.
- Abu Dhabi government also announced the Abu Dhabi's comprehensive general policy agenda for 2007-2008 in August 2007. The agenda set the main goals and initiatives drawn for the various government departments and institutions in Abu Dhabi. This important step aimed at identifying the roles and responsibilities of the institutions of the local government for the next period through a five-year plan developed to place the government among the best five governments in the world in terms of government performance.
- H.H. Shaikh Mohammed Bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, announced the strategic plan of Dubai for the period 2007-2015. The plan aimed at achieving real economic growth for Dubai by an annual average of 11%, in order to bring Dubai's GDP up to \$108 billion (or AED 400 billion) in 2015 and to increase the GDP per capita to \$44 thousand.

- The UAE was ranked in the 24<sup>th</sup> position worldwide in terms of the direct foreign investments (DFI) inflows according to a report developed by the UNCTAD Organization. The report estimated the volume of DFI inflows to the UAE during the past year at approx. \$ 8.39 billion compared to approx. \$ 10.9 billion in 2005, and \$ 10 billion in 2004. The UAE was also ranked first at the regional level as the most attractive destination of new DFI by attracting a share of 215 investment enterprises
- Further, the UAE emerged as one of the most important investment attractions in the world. It was ranked in the 20<sup>th</sup> position worldwide and 3<sup>rd</sup> in the Arab region with a total rating of 4.51 points among the world's best entrepreneurship and offshore service centers. Thus, the UAE outclassed developed countries such as the USA, ranked 21<sup>st</sup> under this index, Britain ranked 42<sup>nd</sup>, and Spain ranked 43<sup>rd</sup>.
- A specialized western report estimated the volume of the current projects in progress in the UAE at \$ 497.96 billion (AED 1.83 trillion) as of March 1<sup>st</sup>, 2007, reflecting growth of 83.4% over the same period of the previous year, during which the gross value of (reported) project in progress was \$ 271.55 billion (AED 996 billion). The UAE came first among the GCC states in terms of project value, which amounted to 39.4% of the gross value of GCC projects running at about \$ 1.26 trillion.
- Furthermore, the UAE was ranked 15<sup>th</sup> worldwide and topped at the Arab world in terms of economic freedom according to the report of Cato Institute's on the Economic Freedom of the World for 2007. The UAE, thereby, out-ranked world economies like Germany which was ranked 18<sup>th</sup>, France ranked 52<sup>nd</sup>, and Spain ranked 44<sup>th</sup>.
- Her Excellency Shaikha Lubna Bint Khalid Al Qasimi, Minister of Economy, stated that the UAE anteceded all Arab countries in terms of e-transactions readiness. However, at the international level, UAE was ranked 33<sup>rd</sup> in this regard. A committee was formed by the Ministry of Economy to supervise the implementation of the Federal Law No. (1) of 2006 pertaining to the e-transactions and e-commerce in the view of the UAE national strategic plan.
- The UAE advanced by 11 points in the World Bank index for the ease of doing business. The index covers 178 countries around the world. The UAE ascended from 77<sup>th</sup> position in the last rating to the 68<sup>th</sup> at present.
- Moody's, the international agency for rating, announced that the state rating granted to the UAE in October 2007 was the third highest rating worldwide given by the agency. The UAE, together with Kuwait and Qatar, achieved the rating Aa2, the highest at GCC and Arab levels. The United Arab Emirates, further, attained the first position in the GCC level in the index of corporate governance with 76 points. As for net government assets, the UAE and Kuwait were co-ranked at the +150 level.

- The UAE also took the lead at the Arab world level in terms of economic competitiveness within “the group of countries of advanced development” according to the Arab competitiveness report for 2007 issued by the World Economic Forum. The provident economic management of the UAE ensured the provision of a stable micro economy environment and helped enhancing the proficiency of public organizations. Hence, the UAE was ranked 6<sup>th</sup> in terms of the micro economic performance.
- The UAE was ranked 3<sup>rd</sup>, following the USA and Singapore, in terms of the economic climate for business leaders under the 2006 World Business Leaders Report. UAE attained a total of 570 points.
- The UAE was ranked 2<sup>nd</sup> among the Arab countries, following Saudi Arabia, and 22<sup>nd</sup> worldwide in terms of exports; and came 27<sup>th</sup> in terms of imports, according to the WTO Report for the last year.
- In terms of integration with the global economy, the UAE emerged first at the Arab level, and 35<sup>th</sup> worldwide among 122 countries classified as the most integrated with the global economy. This rating was developed by a prominent Swiss economic institute. The classification adopted several economic criteria, the most important of which are the open-door economy, attractiveness to DFI, the level of trade and monetary flows, the rapidity of completing transactions, and the quality of Internet and telephony services.
- The government of Abu Dhabi became the biggest shareholder in the US Citi Group, after purchasing 5% at a value of \$ 7.5 billion of the equity units transferable to common shares through the Abu Dhabi Investment Authority (ADIA).

### **“The Performance of the UAE Financial Markets in 2007”**

- The value of exchanges in 2007 in both Abu Dhabi and Dubai Markets ran around AED 554.3 billion. The share of Abu Dhabi Financial Market amounted to AED 175.3 billion (about 31.6% of the total exchanges in both markets). The share of Dubai Financial Market amounted to AED 379 billion or 68.4% of the total exchanges. Thus, the volume of exchanges in the financial markets increased by 32.6% compared to the results of 2006.
- In addition, the market value per share of all listed companies increased by 60.7% or by AED 311.5 billion amounting to AED 824.6 billion. The UAE market index grew up by 49.25% hitting 6031.21 points.
- The year 2007 registered a record increase in FDI inflows to the local stock markets. The net value of these investments amounted to AED 21.8 billion compared to AED 3.3 billion in 2006, reflecting a growth rate of more than 500% in Dubai and Abu Dhabi stock markets.

## **General Economic Developments in The Arab Countries and GCC**

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- According to the initial draft of the United Arab Economic Report for 2007, the GDP of the Arab Countries, at current rates, achieved an unprecedented boom during 2006 hiking up to \$ 1.274 trillion compared to \$ 1.084 trillion in 2005, an increase by 17.4%.

The said report also highlighted a rise in the GDP of the GCC states to \$ 718 billion in 2006. Saudi Arabia achieved the highest GDP among the GCC states estimated at \$ 346.97 billion, followed by the UAE with \$ 164.87 billion, Kuwait with \$ 101.90 billion, Qatar with \$ 25.72 billion, then the Sultanate of Oman with \$ 35.66 billion, and finally Bahrain with \$ 15.79 billion.

### **The GCC Common Market (GCM):**

- In the closing session of its Doha Summit held in December 2007, the GCC Supreme Council released the Doha Declaration, announcing the launch of the GCC Common Market with effect from January 1<sup>st</sup>, 2008.

The GCM is based on the principle provided for in Article (3) of the Economic Agreements that all citizens of the GCC states, whether natural or legal persons, shall receive equal treatment in any member states as the nationals of that state, free of any discrimination or preference in all economic aspects, including the practicing of any economic, investment and service activities, the ownership of real estates, capital movements, taxation, trading and acquisition of shares, incorporating companies, movement and residence. The objective is to establish a single market that helps the GCC citizens to seize the opportunities available in the GCC economies.

H.H. Shaikh Hamdan Bin Rashid Al Maktoum, Deputy Ruler of Dubai and Minister of Finance and Industry, announced that the GCM will benefit all GCC citizens and will allow them all to utilize opportunities available in the GCC economy. It will, further, open up a broader horizon for inter-GCC and foreign investments, promote the production efficiency and achieve optimal utilization of available resources. In addition, it will enhance the GCC's negotiating position and boost its active and influential standing among the world's economic communities.

- James Wolfenson, the former President of the World Bank, stated that the Middle East, with its significance, is expected to become one of the most dynamically growing economies. He emphasized that the real wealth of the GCC is not oil, but rather its unlimited human resources. Mr. Wolfenson also emphasized the importance of the economic successes achieved by the UAE at this stage by virtue of the clear vision of the rulers of the UAE and by establishing the best economic climates in the world.

On his view of the world's future, Mr. Wolfensohn said that the future will witness a re-classification for the major economic powers as China and India would be taking the positions of Japan, USA and Europe.

- The officials of eleven Arab countries officially announced in Abu Dhabi the establishment of the “**Union of Arab Security Authorities (UASA)**”, with the city of Abu Dhabi as the seat for the Union and for its Secretariat General. The UASA's Memorandum of Association, Articles of Association, and the budget for its first year were also approved.

The UASA aims at ensuring cooperation among the member countries to achieve the highest level of coordination in order to maintain the proficiency and soundness of transactions within the Arab securities markets; and ensure effective exchange of information, mutual technical support and expertise sharing. The ultimate objective of such coordination are to support the development of Arab markets, establish effective regulations, upgrade the performance of the Arab securities sector, and promote enlistment and exchanges in the Arab markets.

- Report issued by the Arab Monetary Fund signified that the market value of the 15 Arab financial markets surpassed the one-trillion-dollar line. It has amounted to \$ 1.05 trillion by the end of the third quarter of 2007 compared to \$ 931.8 billion by the end of the second quarter of the same year with a gross growth rate of 12.3%.

- In a report by Ernest & Young, issued in October 2007, the shares of 20 Arab companies were offered for subscription in the second quarter of 2007. The total value of these shares was \$ 3.9 billion, representing the second largest number of public subscription witnessed by the financial markets in the last five years.

- A recent economic report indicated that the GCC states have considerably benefited from the increase in oil revenues as the surplus in the current account and public budgets increased to 30% and 23% respectively of the gross product for 2006. The GCC also achieved an economic growth rate of 7% above the previous year. Due to the rising oil prices worldwide, the surplus of the trade balance of the GCC states amounted to \$ 278 billion in 2006, compared to 227.3 billion in 2005, a 22.3% increase.

The report estimated the oil reserves in the Gulf region at 484.3 billion barrels, while reserves of the natural gas are running around 41.4 trillion cubic meters. These reserve form 40.3% of the world's oil reserve, and 23% of its gas reserve. The GCC region annually produces 6.7 billion barrels of oil and 195.9 billion cubic meter of natural gas.

- Despite of the growing oil revenues by 8.4% in the member countries of OPEC, i.e. \$ 731 billion in 2007 based on available estimates, compared to \$ 674 billion in 2006, the rates of inflation have hit unprecedented growth during the last two years. Inflation rates were greater than 15% in some countries.

On the other hand, the international demand for oil increased in the last year by 1.5 million barrel daily while prices continued their rise, with the price per barrel going above \$ 92 by the end of October 2007. The production of OPEC increased over 2007 to amount to 31.7 barrels per day in the month of June compared to 30.2 million barrels per day in the previous month. This increase in the production provided the member countries of OPEC with extra revenues.

- Furthermore, global demand for oil is expected to increase more in the year 2008 by an additional 2.2 million barrels a day. This level of demand will require increasing the production capacity to 35.5 million barrels a day in the member countries of OPEC.
- The total value of investments in the non-petroleum industrial sector in the GCC amounted to more than \$ 115 billion. \$25 billion are being invested in the UAE in machinery, installation and equipment manufacturing sectors. In Saudi Arabia, the estimated total value of ongoing industrial enterprises is \$50 billion. Industry is one of the most significant strategic options for comprehensive development in the GCC, where there are 88 GCC joint industrial enterprises with a total capital of \$9.548 billion.
- A report issued by the Arab Organization for Industrial Development indicated that the share of the industrial product in the GDP was 48.6% in 2006 compared to 43.3% in 2005. This improvement was due to the continued increase in oil prices and global demand for oil, which led to an increase in the Arab mining industry output and the Arab gross industrial output.
- The gross product of the Arab industrial sector in 2006 amounted to \$518 billion with 36% growth rate, compared to \$ 381 billion in 2005.
- According to a report by the International Finance Corporation (IFC) of the World Bank, the total combined external assets of the GCC were valued at \$ 1.8 trillion by the end of 2007, the equivalent of 224% of their aggregate GDP. The IFC expected this figure to grow up to more than \$ 2 trillion in 2008 due to the strong rise in the oil prices worldwide.
- In this regard, the UAE was ranked first, since the gross value of its external assets in both the private and public sectors was about \$ 850 billion, followed by Saudi Arabia in the second place with \$ 450 billion. Kuwait came third with \$ 280 billion, followed by Qatar with \$ 85 billion, then Bahrain with \$ 25 billion, and finally the Sultanate of Oman with total assets of \$ 15 billion by the end of 2007. The said report estimated the size of the GCC investments in the Middle East and North Africa region during 2006 to 2007 at \$ 60 billion, i.e. 11% of the total GCC investments during that period.

## Banking Sector in UAE

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- The UAE banking sector achieved a strong growth activity during 2007 and over the last two years, supported by the excellent economic performance and strong growth of the UAE economy, in view of the rising oil prices worldwide. This growth trend resulted in an increase in the government expenditure on infrastructure. Generally, the performance of UAE banks was good and stable.
- The banking sector has taken advantage of the activity of the private sector in real estates and the increase in demand for credit, as well as the maturity of securities and capital markets in the UAE. All these combined factors stimulated growth in the asset and lending base of the UAE banks and opened wider opportunities for greater profits.
- His Excellency the Governor of UAE Central Bank said that the federal strategy will create more opportunities for the banking sector and will help all banks in the UAE to grow. This strategy will also ensure the review and updating of all financial and commercial laws, as well as drafting new laws.

H.E. the Central Bank Governor confirmed that all banks indicators have shown remarkable growth and strong performance during 2007 as the following schedule (in Billion Dirhams):

	2006	2007	Growth %
Total Deposits	555	750	35 %
Total Credits	520	725	39 %
Total Assets	852	1240	45 %
Total Profits	19.4	25	28.8 %

His Excellency the Governor of UAE Central Bank said that the federal strategy will create more opportunities for the banking sector and will help all banks in the UAE to grow. This strategy will also ensure the review and updating of all financial and commercial laws, as well as drafting new laws.

- The UAE national banks managed to establish a distinctive position in the banking arena on the local, regional and international levels – despite their relatively recent inception where the first national bank was established in 1963 in the country - . This is due to the fact that they are taken on coping and complying with international trends and requirements as well as generously investing in selecting advanced technology and computer systems and upgrading them. In addition, they also gave special attention to their employees, providing them with the necessary training and developing their skills. Moreover, they also strived to diversify their activities, services and banking products in order to meet customer requirements and needs in keeping breast with all global trends in this area and the like. This, of course enabled our national banks

to compete, sustain their growth and obtain advanced ratings from specialized international institutions, in this context (16) UAE national banks emerged on the list of the major 1000 banks in the world out of total 22 national banks in UAE, and (12) UAE national banks emerged also on the list of the first fifty GCC banks included with the major 100 Arab banks.

Undoubtedly, the UAE Central Bank along with its wise management has a leading role in ensuring that the banking laws applicable in the UAE would reflect what is going on in the rest of the countries of the world. He has also emphasized that we have all regulations and instructions available in such countries and that the banking regulations that we have are enough to reduce risks facing the banking sector and cope with the best regulations available in the countries of the world.

- Statistics of the UAE Central Bank for the middle of 2007 revealed that commercial banks operating in UAE were 48 banks (22 national banks and 26 foreign banks). The total numbers of the banks and their branches including pay offices, customer services units and automated branches were 697 as follows:

564 National Banks  
133 Foreign Banks

Statistics also indicates the following for the middle of 2007:

Number of investment banks	2
Number of specialized banks	2
Number of finance companies	14
Number of development institutions	2
Number of investment institutions	2
Number of representative offices	67
Number of financial investments companies	14
Number of exchanges offices	410 (including H.O. 103)

- ATM machines with UAEswitch reached 1731 as at the middle of 2007, meanwhile machines linked with GCC switches reached 7700 for the same period.
- Human Resources Development Committee for Banking Sector issued statistics in regard of the number of National Employees and overall number employees in banking sector for the year 2007 (Compared with the year 2006) as follows :

Percentage of National Employees	Number of National Employees	Overall Number of Employees	Number of Branches	Date
%32.3	8712	26926	561	31/12/2006
%32.3	10566	32723	673	31/12/2007
-	1854	5797	112	Different
-	%21.3	%21.5	%20	Percentage Change

- H.E. the Central Bank Governor assured the readiness of the banking sector in the state for the implementation of Basel II beginning of the year 2008, he added banks have two options to chose either relatively simple formula or the more complex approaches that utilize banks, assuring that the implementation of these standards is very important for the definition of the risks and how to deal with in competency.
- On the subject of control over banks, the Central Bank confirmed that the board of directors took assurance steps that the marginal overdrafts of few UAE banks with respect to “the mortgage sub-prime loans in the USA” will not affect their gross results in 2007, expected to be higher than 2006 results.
- His Excellency UAE Central Bank Governor disclosed two important programs; one is for housing finance, and the other is for SME finance. Both programs will be approved in 2008.
- It is worth indicating that the Federal Law No. 10 of 1980 concerning the Central Bank, the Monetary System and organization of Banking do not permit any commercial bank to grant loans or advances for purposes of constructing residential or commercial buildings exceeding in total 20% of its total deposits unless the bank is specialized in granting real estate loans and has obtained the approval of the Central Bank to do so.
- It is also worth mentioning that the Central Bank has recently approved a system allowing banks to only incorporate and manage companies to practice real estate financing. Real estate finance companies jointly owned by banks are permitted to purchase, sell and develop properties. They are also permitted to finance and manage properties as long as public shareholders own no less than 60% of such company's capital.
- In parallel with the current clearing room system, a pilot project of the Image Cheque Clearing System (ICCS) was put in commissioning operation in the UAE as of November 2007. A circular by the Central Bank confirmed that all outstanding procedural and legal issues will be solved during this parallel operation period.
- The Central Bank announced that effective from 28.11.2007, a new sophisticated system for issuing AED, Dollar and Euro (Certificates of Deposit) through auction for banks operating in the UAE. Such certificates will have maturity terms ranging from one week to five years. The purposes of this system are to meet the needs of the banks, develop and support the local financial market, and create real revenue curve for the Dirham to be adopted by the other financial markets. The new system will enable banks having CB (Certificates of Deposit) to boost their liquidity by effecting REBO agreements with the Central Bank. Such agreements act as AED temporary lending against pledging (Certificates of Deposit).
- The Board of Directors of the Union of Arab Banks elected H.E. Mr. Ahmed Humaid Al Tayer as the “Arab Banker of the Year 2006”. 0Mr. Al Tayer is the Chairman of the EmiratesNBD, chairman of the Commercial Bank of Dubai, and Vice Chairman of the Emirates Banks Association (EBA). It is worth mentioning that Mr. Abdullah Bin Ahmed Al Ghurair, Chairman of Al Mashreq Bank

and Chairman of Emirates Banks Association, was previously elected as the "Arab Banker for the Year 2003".

- The UAE banking sector witnessed the largest merger between two national banks: Emirates Bank International and National Bank of Dubai. The two banks previously announced the merger terms which they had agreed upon earlier. The terms included the establishment of a holding company named "EmiratesNBD" to be the new bank, output of the merger. This merger was the fifth largest merger of banks in the world, with assets amounting to AED 177.7 billion, the equivalent of \$48.4 billion as of the end of March 2007.
- The Moody's International Institution for Investors Service and Rating commended the merger between the two banks. It said that this merger will boost strength of the UAE banking sector and the ability of bankers to offer quality services.
- Pursuant to the decree of the UAE Cabinet obligating all private sector companies and establishments to pay salaries and wages of their staff and labor through banks operating in the UAE starting from January 2008, the Central Bank issued a circular to all banks during December 2007 instructing them to organize the processes of opening such bank accounts and disbursements there from in coordination with the Ministry of Labor.
- In May 2007, the 4th Islamic Financial Services Board Summit was held under the theme "**The Need for a Cross-Sectoral Approach to the Supervision of Islamic Financial Services**".

The Islamic Financial Services Board (IFSB) is an international standard-setting organization that supervises the Islamic financial services industry. In that capacity, the IFSB assumes a complementary role to Basel Group and the International Organization of Securities Commissions and International Association for Insurance Supervisors (IAIS). The IFSB also endeavors to develop a reserved environment of high transparency in the Islamic financial services industry by the introduction of international standards consistent with the Islamic principles (Shari'ah).

- The UAE banking sector was rated as A1 (Stable) by Moody's, the international credit rating agency, in terms of long term deposits in both local and foreign currency. It also assigned P1 rating to short term deposits and C- rating for financial Strength.
- The UAE was ranked first worldwide in terms of the availability of the banking telephone services. 44% of bank customers in the UAE make a contact with their major banks by telephone at least once a month.
- The UAE was also ranked 23<sup>rd</sup> in terms of online banking transactions. A study showed that 54% of the respondents preferred to use e-banking transactions at least once a month.

- Statistics issued by the Dubai Financial Market on foreign investments in the market for the period ending in May 2007 revealed that there were 116 banks which owned AED 1.882 billion worth of shares in addition to 267 investment companies that owned AED 4.666 billion worth of shares, as well as three governments with AED 54.63 million and three foreign organizations holding shares of AED 2.506 million. These figures indicate real presence in the market of foreign institutional investment organization.
- An informed resource said that “Noor Islamic Bank” will start offering his services and will receive customers on Jan. 2008.  
The bank has already obtained the approval and gets the licence on Feb. 2007 from Central Bank, and is considered as the fifth Islamic bank in the country with a capital of AED 3.16 Billion.

On the other hand Al Helal bank with capital of AED 4 Billion will be announced as an “Public Joint Stock Company” under establishment, and owned in full to Abu Dhabi government, and will be operating in accordance with Islamic Shari’a.

#### **The Fourth Hawala Conference March 2007 – Abu Dhabi :**

- The fourth Hawala conference held in Abu Dhabi on March 2007 with the presence of more than 300 international regional and local representatives.
- In his opening speech, H.E. Sultan Bin Nasser Al Suwaidi, governor of the UAE Central Bank, said the following:
  - we should endeavor to devise regulations for the Hawala system aimed at isolating “wrong” remitters and beneficiaries.
  - The UAE Central Bank has taken a lead in the search by national and multi-lateral regulators to find a system of regulation that provides an effective monitor of Hawala business while ensuring that it is not so expensive and heavy handed that it drives the system underground.
  - H.E. Al Suwaidi believes that the further measures may be needed and he told the conference that they should, be in line with the “2002 Abu Dhabi Declaration”, which achieved an international agreement on the basic principles of regulating Hawala business.
  - In the UAE, more than 200 Hawaladars have registered with the Central Bank, accepting the obligation to report inward and outward transactions on a monthly basis Application from more than 40 Hawaladars on being considered.  
H.E. Dr. Ali Abdulla Al Kabi minister of Labour announced that more than USD 20 Billion has been transferred by incoming workers in the State on 2007.

## **Anti-Money Laundering :**

- According to a report by the International Anti-Money Laundering Committee, money laundering is assessed as one of the prevalent challenges facing the international banking industry. The volume of money laundry amounts to more than one trillion dollars per year; i.e. 5% of the world gross national product.
- In this regard, UAE observes the convening of an anti-money Laundry conference on annual basis. The UAE will chair the Middle East & North Africa Financial Action Task Force (MENAFATF) in 2008; and will sustain its endeavor to maintain intensive cooperation and strong relations with similar regional financial task forces. The UAE will also encourage the exchange of expertise on mutual assessments and provision of technical support and training in this regard.

## **Arab Banking Sector**

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- Currently, there are 450 Arab banks (commercial, investment, specialized and Islamic). They collectively employ 370.000 employees and have an extensive network of 15000 braches.
- The volume of Arab banking industry business developed rapidly over the last three years. It exceeded the size of the Arab economy, as the banking assets form 120% of the Arab GDP. According to initial figures made available to the Union of the Arab Banks for 2006, the Arab banking sector achieved notable development of about 20%, compared to 18% in 2005. The total value of the sector's assets amounted to \$ 1,248 trillion in 2006, while the total deposits remarkably grew by 17% in 2006 to reach \$ 756 billion. Likewise, the total loan portfolio grew by 19% to reach \$ 604 billion, while the capital base grew by 32% to reach \$ 115 billion during the same period.
- Furthermore, the Arab banks collectively realized unprecedented profits of \$ 25 billion in 2006, compared to \$ 20 billion in 2005. Thereby, the return on assets amounted to 2%, while the return on capital and equity was 21.7% in 2006.
- On the other hand, the value of investments in government bonds and treasury bills in some Arab countries amounted to \$ 130 billion in 2006, compared to \$ 126 billion in 2005.
- The value of the central banks' holdings and sovereign wealth funds in the oil-producing Gulf Countries amounted to \$ 1.2 trillion, half of which owned by ADIA, i.e. \$ 625 billion.

- The Arab banks spent about \$1.3 billion in 2006 on financial technology which became an inevitable strategic option for the Arab financial and banking sector to maintain its competitiveness and to offer the latest services to its customers.
- According to a report by the World Bank, Islamic finance also achieved huge growth. It grew from \$ 6 billion in the onset of the eighties of the last century to \$ 250 billion in 2007.
- The volume of Islamic deeds (Sukuk) issued during the first eleven months of 2007 amounted to \$ 170 billion, which is a record figure during that period. International banks have showed interest in Islamic banking. This trend comes amidst forecasts that the total assets of Islamic financial institutions, growing at the rate of 15% per year, will go up to \$ 1.3 trillion during the coming decade.
- The preliminary draft of the Arab Unified Economic Report of 2007 indicates a big boom in companies' issue of Islamic bonds and Sukuk in the GCC states over the past three year.  
The issuance of company bonds increased in 2006 to \$ 18.2 billion.

The issuance of Islamic Sukuk in the UAE, Bahrain, Saudi Arabia and Kuwait increased in 2006 to \$ 10.7 billion, compared to \$ 1.7 billion dollars in 2005, an increase of 529%. On the other hand, commercial banks issued \$ 13 billion worth of bonds in 2006, while issuance by government institutions amounted to \$ 9 billion. Thereby, total issuance of bonds and Sukuk by the GCC states exceeded \$ 51 billion.

- Internationally 74 Arab Banks joined the list of the Top 1000 world banks in accordance to the capital main criterion as revealed by a study of “The Banker” magazine.

The mentioned list included the following:

Banks from UAE	16
Banks from Saudi Arabia	11
Banks from Bahrain	9
Banks from Kuwait	7
Banks from Lebanon	7
Banks from Egypt	7
Banks from Qatar	6
Banks from Jordan	3
Banks from Oman	3
Banks from Tunisia	2
Banks from Libya	1
Banks from Morocco	1
Banks from Algeria	1

# Emirates Banks Association

***Emirates Banks Association***  
***Silver Jubilee***  
**1982 - 2007**

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The EBA's Board of Directors extends thanks and appreciation to all member Banks, the ex-members of Boards, the Central Bank of the UAE, the Ministry of Social Affairs, and all other relevant authorities, for their efforts, cooperation and contribution to support the Association and enable it to undertake its role. We look forward to keeping this endeavor towards further successes, God's willing.

It is our pleasure to point out, in this summary, some of the EBA work accomplished and still accomplishing through its endeavor, due to good cooperation and support by everybody.

Since its establishment, EBA took part in and comment on the drafts of many laws and/or their amendments, as well as ministerial banking-related decisions. Such cooperation included various official authorities, such as the Federal National Board, the Council of Ministers, the concerned ministries, the UAE Chambers of Commerce and Industry and their Union. EBA maintained close cooperation and coordination with the UAE Central Bank; and studied problems that may face the banks to explore appropriate solutions, either in joint meetings of its Board of Directors with the CB governor and officials or by having a representative of the Central Bank in each of EBA's committees.

EBA is a member in several national committees, such as the Human Resource Development Committee in the Banking and Financial Sector, and the National Committee for the World Trade Organization. It also took part in the founding committee for the UAE Constituent Committee of the International Chamber of Commerce.

Furthermore, the Association took part in establishment and management of the "Emirates Institute for Banking Training" by having three members representing EBA in the Institute's Board of Directors, with one of them acting as the Vice Chairman. Then, EBA chaired the institute through EBA's Chairman for several years before the legal status of the institute was changed to the "Emirates Institute for Banking and Financial Studies", when EBA helped in the procedures of the said change of status.

On the other hand, your Association is an observer member in the Union of the Arab Banks. It also takes part in meetings with guest delegations visiting UAE from relevant international institutions and authorities, such as the semi-annual delegation of the International Monetary Fund (IMF) to review the economic and financial developments in the UAE. Other delegations also include the joint delegation of the IMF and WB to assess the UAE financial sector under the program entitled "Financial Sector Assessment Program (F.S.A.P.)", and the international anti-money laundry Financial

Action Task Force (FATF), in addition to IFC, the WB's private sector arm in charge of corporate governance in the banking sector, and other similar related delegations.

The Association participates in several local as well as international specialized conferences and seminars, where it may sometimes present working papers, as to be mention in this annual report.

As you may be aware of, EBA issued in 2004 the “Charter of Banking Business in the UAE”. Some articles of the Charter were an affirmation and assertion of the banking generally accepted principles and practices worldwide; and other articles appropriate to local conditions in particular.

EBA issues several publications throughout the year, the most important of which is the “Financial Positions of the Banks Operating in the UAE”, “Collection of Judicial Rulings on Banking Cases in the UAE”, and SWIFT News Letter in the UAE and GCC.

Since its establishment, EBA was responsible for the introduction of “SWIFT” services to the UAE banking and financial sector. These services were launched by the end of 1992 in cooperation with the Emirates Telecommunications Corporation (Etisalat) and supported by the Central Bank. The service started at that point by connecting 13 banks operating in UAE. Currently, the users of SWIFT are more than 60 throughout the UAE.

SWIFT, as known, formed from the initials of the “Society for Worldwide Inter-bank Financial Telecommunications”.

The current number of SWIFT member countries is more than 200 with more than 8000 users worldwide.

On the occasion of the 25<sup>th</sup> anniversary of EBA, we extend sincere thank to Central Bank of The UAE for issuing a silver commemorative coin carrying EBA’s name and logo. We are also thankful to the “Emirates Post” for issuing a commemorative stamp.

We further express our thanks and gratitude to all of you, hoping for our banking sector and all other sectors more progress and success to achieve our beloved country’s goals and inspirations under our prudent leadership of H.H Shaikh Khalifa Bin Zayed Al Nahyan, UAE President, and his brother HH Shaikh Mohammad Bin Rashed Al Maktoum, Vice President, Prime Minister, and Ruler of Dubai, supported by their brothers, the Members of the Supreme Federal Council, Rulers of the Emirates, may God bless them all.

With our Greetings

# *E.B.A. Membership*

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At the end of 2007, the total number of members in Emirates Banks Association was thirty eight Banks as follows :

1. National Bank Of Abu Dhabi (P.L.C.)
2. Abu Dhabi Commercial Bank ( P.L.C.)
3. Union National Bank (P.L.C.)
4. National Bank Of Dubai (P.J.S.C.)
5. Commercial Bank of Dubai (P.S.C.)
6. Dubai Islamic Bank (P.J.S.C.)
7. Emirates Bank International (P.L.C.)
8. Emirates Islamic Bank ((P.L.C.)
9. MashreqBank (P.L.C.)
10. Sharjah Islamic Bank (P.L.C.)
11. Bank Of Sharjah (P.L.C.)
12. United Arab Bank (P.L.C.)
13. InvestBank (P.L.C.)
14. RAK Bank (National Bank Of Ras Al-Khaimah P.S.C.)
15. Commercial Bank International (P.L.C.)
16. National Bank Of Fujairah (P.S.C.)
17. National Bank Of Umm-AlQaiwain (P.L.C.)
18. First Gulf Bank ( P.L.C.)
19. Abu Dhabi Islamic Bank ( P.L.C.)
20. Dubai Bank
21. Real Estate Bank
22. Al Masraf (Arab Bank For Investment & Foreign Trade)
23. Arab Bank (P.L.C.)
24. Banque Du Caire
25. Calyon - Corporate and Investment Bank
26. BNP Paribas
27. HSBC Bank Middle East
28. Arab African International Bank
29. BLC Bank (S.A.)
30. Al Ahli Bank Of Kuwait ( K.S.C.)
31. Habib Bank Limited
32. Habib Bank AG.Zurich
33. Standard Chartered Bank
34. Citibank N.A.
35. Bank Saderat Iran
36. Bank Melli Iran
37. BLOM BANK FRANCE
38. ABN-AMRO Bank N.V.

At the beginning of 2008, the following banks had joined the Association Membership as Follows:

- Al Hilal Bank (P.J.S.C.)
- Noor Islamic Bank (P.J.S.C.)
- Bank Of Doha
- Bank Audi SAL- Audi Saradar Group ( Representative Office )

Emirates Banks Association welcoming the new members, and wishing the other foreign banks who still not members yet, to do that, in order to unify all efforts, and exchanging views and experience as well, to attain the main objectives of the Association in servicing the banking sector and extending support for its development continuity, and prosperous.

*Activities  
Of  
Emirates Banks Association*

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**General Assembly :**

EBA General Assembly held its annual ordinary meeting on Thursday, 29/3/2007, and the minutes of the meeting distributed to all members under Ref. No. 198/2007 dated 15/4/2007.

**Board of Directors :**

EBA Board of Directors held three meetings during 2007, with continued contact with Messrs the members to exchange views in all matters related to the Association's concern and activity.

Through their following up, the Board of Directors reviewed the activities and Recommendations of the EBA Technical Committee and the Legal Consultation Committee as well, and took the necessary instructions regarding it.

The Board of Directors took various decisions and/ or recommendations as follows:

- 1- **The need for amending the Federal Law No. (10) of 1980 concerning to the Central Bank, the Monetary System and organization of Banking**, after more than 25 years of its enactment. Such amendment is required in order to cover and satisfy the requirements of the current progress and development in banking, and to cope with emerging facts, whether at the local level or as necessitated by international foreign banking relations and obligations and to address and abide by them. Yet, we highly appreciate the efforts of the Central Bank in monitoring these developments, and for its guidance to and cooperation with the banking sector.
  
- 2- **Federal Credit Bureau:** EBA's Board of Directors welcomed and commended the decision of the Council of Ministers on services, headed by H.H. Shaikh Mansour Bin Zayed Al Nahyan, Minister of Presidential Affairs, and Chairman of the Council, to establish a public joint stock company for credit information. The decision, which approved by the Cabinet, granted the Central Bank supervisory role on the said company.  
As you know, EBA has highlighted the important of establishing such a federal authority to offer this service throughout the UAE, and to ensure the confidentiality of the information as per the Central Bank under the Federal Law No.(10) of 1980 concerning the Central Bank of the UAE, the Monetary System and Organization of Banking.

**3. Draft of New Federal Law concerning to “Public Interest Societies and grass root organizations” to replace the current Federal Law No. (6) for the year 1974 concerning “Public Interest Societies”:**

EBA confirmed that any law should take into consideration the goals set by the Strategic Plan of the UAE Federal Government, as approved by H.H Shaikh Khalifa Bin Zayed Al Nahyan, UAE President, and announced by H.H Shaikh Mohammed Bin Rashid Al Maktoum, UAE Vice President, Prime Minister and Ruler of Dubai.

The government strategic plan emphasized the importance of providing high quality social services commensurate with the needs of the society, and promoting the voluntary social work and the civil society organizations. The plan focused on promoting the concept of care to the concept of development, the expansion of cooperative work and the development of public interest societies. It also asserted the openness to the world, enhancement of the UAE standing at both regional and international levels. In addition, the plan generally suggested the need to update the laws and legislations.

**4. Bank Guarantees related to expatriate workers and their escape:**

EBA’s Board of Directors confirmed the illegality of liquefying these guarantees from the issuing banks, unless there are problems or claims related to the purpose of these guarantees, and require liquefy them. The subject is still under consideration and follow up with the Ministry of Labor.

**5. Promotional campaigns for the branches of banks operating in Sharjah:**

EBA’s Board of Directors requested Sharjah Department of Economic Development to accept the permit obtained by the concerned bank's headquarter from the Emirate where it is located for the purposes of launching promotion campaigns through the banks branches in the different Emirates. There should be no need to obtain another permit from the said Department for branches of the concerned banks operating in Sharjah. The subject is still under consideration.

**5. The Board of Directors of the Union of Arab Banks:**

EBA has nominated Mr. Sulaiman H. Al-Mazroui, General Manager Corporate Communications & Community Relations Emirates NBD, for the membership of the Board of Directors of the Union of Arab Banks, to represent the UAE Banks in the current term of the Board, as the EBA’s Board of Directors requested the national banks, members in the Union of Arab Banks, to submit their nominations for the membership of the Board of Directors of the Union of Arab Banks for the period 1/5/2007 – 30/4/2010, to succeed Mr. Fadel Said Al Darmaki, the former Deputy Chairman of the Board, and former Chairman of Abu Dhabi Commercial Bank.

## **Meeting held with Ministry of Justice, Central Bank Of The UAE, and Emirates Banks Association :**

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Following the meeting held on 15 /1/2007 in the Ministry of Justice, attended by H.E. The Minister of Justice and his Consultants, the delegation from the Central bank of the UAE, headed by H.E. the Governor of the Central Bank Of The UAE, and delegation from Emirates Banks Association presided by H.E. Ahmed H. Al Tayer – Deputy Chairman, a committee included representatives from the three parties formed to continue discussing all matters raised at the meeting.

The said committee held several meetings during the year at the premises of the Ministry of Justice, and we still await the outcome of the Ministry regarding the matters put for discussion.

## **EBA Committees' activities :**

### **- Technical Committee :**

#### **-Image Cheque Clearing System (ICCS)**

In one of its meeting the Committee invited the Senior Manager – IT Projects Unit in the Central Bank of the UAE in-charge of implementation of system, who presented a brief presentation about latest developments occurs and clarified the inquires submitted by the members. He emphasized on resolving the outstanding procedural and legal issues in concern during the period of the parallel run period supposed prior to final implementation of ICCS.

### **- Banking secrecy and dealing with Police Departments in Emirates :**

The department in Charge at the Central Bank confirmed on the cooperation of the banks in respect to the requested information by Police Departments from banks concerning returned cheques usually restricted in (Drawers full name, address, and a copy of his passport - if necessary). Other information not included, hence banks are to adopt by the content of Currency Board of the UAE circular No. 257 dated 9/3/1976, and the Central Bank of The UAE notice No.446/94 dated 28/9/1994.  
(Copy of each circular attached for easy reference).

### **- Liability on Bank Fraud Cases – Public Awareness:**

Each bank could adopt the necessary enlightenment and warning to their customers against such fraudulent transactions in concern through documentation presented upon offering products or through ATM's monitors etc..

(Among the attachments of this report a copy of Central Bank notice No. 2416/2006 dated 27/5/2006 to all banks to take essential precautions and procedures to prevent and/or any suspected Fraud concerning ATM's transactions).

**- Minor Accounts:**

Central Bank of the UAE will circulate an amendment to the circular No.14/93 dated 20/6/1993 to allow opening current accounts to all resident natural persons of 18 years and up to-under 21 – provided that no cheque books will be given, beside preventing offering loans or other facilities, otherwise, full legal capacity or the presence of guardians according to legal requirements.

**- Bank Guarantees related to expatriate workers and their escape:**

EBA Board of Directors took necessary recommendation as we mentioned in this report.

**- Promotional campaigns for the branches of banks operating in Sharjah:**

EBA Board of Directors took necessary recommendation as we mentioned in this report.

**- Legal Consultation Committee :**

Legal Consultation Committee participated in the meetings held by the committee formed by the Ministry of Justice and the Central Bank of the UAE, to discuss the proposed subject raised by the Association as we disclosed.

**- The Human Resources Development committee in the Banking Sectors – (HRDC-BS):**

EBA Board of Directors express their appreciation to the committee for the hard efforts as well as the operating banks in the state for responding positively to attach many of UAE National graduates for joining the banking sector, in addition sponsors the training operations for assuring all the job levels in the banks.

In fact, the total number of the Nationals staff working in the banking sector during 2007, has increased by (1854) UAE national male and female versus (1755) by the end of 2006.

Last statistics issued by the Committee of Human Resources, and Development in the Banking and Financial Sector, revealed that number of UAE employees working in the banking sector, has reached (10566) UAE national male and female at the end of 2007, representing 32.3% of the total number of staff members working in the field, that amounts to (32723) male and female employees, versus to(8712) UAE male and female employees at the end of 2006, representing 32.3% of the total number of staff members amounting to (26926) male and female employees.

At the end of 2007, Emiratization in Branch Managers has reached 66% versus to 64.4% at the end of 2006.

13 Banks scored a percentage of 100% of Emiratization ratio in their Branch Manager positions versus to 11 banks for the same period in 2006.

It is worth to know that the HRDC-BS chaired by H.E. Ahmed Humaid Al-Tayer and including H.E. Khalfan M. Al-Roumi- EBA Board of Directors member, who represents the Association in its membership.

### **Other Activities :**

- 1- On 16/1/2007, a delegation from IMF/WB under The Financial Sector Assessment Program (FSAP) paid a visit to the Association office.
- 2- On 3/3/2007, a delegation from IMF/WB Assessment Mission, paid a visit to the Association office during their visit to UAE for evaluation the applied procedures related to “Anti Money Laundering / Terrorist Financing”.
- 3- On 7/5/2007, H.E. Ahmed H. Al Tayer Deputy Chairman of EBA met with H.E. Mohammed Al Nakheira Ah Dhaheri Minister of Justice , H.E. Sultan Bin Nasser Al Swaidi Governor of the Central Bank Of the UAE, and Mr. Khalid Al Bustani the Assistance Under Secretary for Revenue & Budget in Ministry of Finance, in the premises of the Central Bank Of the UAE, to discuss with them the development relates to establishment the Federal Credit Bureau .
- 4- On 23/10/2007 The Secretary General Of Union Of Arab Banks Dr. Fuaad Shaker and The and Mr. Wissam Fattouh the Under Secretary for The Conferences and training affairs in Union Of Arab Banks paid a visit to the Association Office that was during their visit to Abu Dhabi, whereas they reviewed phases of joint cooperation between the Union and the Association of Emirates Banks.
5. On the occasion of EBA’s 25th anniversary, the Board of Directors adopted a new logo, which we started using on all publications. The anniversary logo appeared on a silver commemorative coin released by the UAE Central Bank of the UAE and on a commemorative stamp issued by the Emirates Post on this occasion.
6. It’s worth to announce that the Association will be shifted to its new premises located in Muroor street, same building established by the Emirates Institute for Banking & Financial studies, on the joint property owned by the Institute and the Association (P-15 / East 25).
7. EBA had participated in a press dialogue through an interview made by Dubai Broadcast under the program called “Al Muntada”.
- 8- On 26-28 /3/2007, EBA participated in the 4<sup>th</sup> regional conference organized by SWIFT in Abu Dhabi, and presented a working paper.
9. On 11/4/2007 EBA Participated in the “Global Real Estate: A World of Opportunities” organized by Union of Arab Banks held in Dubai, in collaboration with the Association of Foreign Investors in Real Estate “AFIRE”, and submitted a working paper.
10. Press interview with “Banking & Finance Magazine” August 2007 issued by Emirates Institute for Banking & Financial Studies.

- **Seminar Organised by EBA on : “Basel II, 2<sup>nd</sup> Pillar: Calculation & implementation”:**

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Emirates Banks Association organized a seminar on “Basel II, 2<sup>nd</sup> Pillar: Calculation & Implementation”, and attended by more than 80 persons from the concerned senior staff in the banking sector.

The Commercial Bank of Dubai hosted the seminar and a working paper delivered by Mr. Naveed Siddiqi from the Central Bank and Mr. Jamal Saleh from the Commercial Bank of Dubai.

**E.B.A. Publications Matters:**

**1. The Financial Position of Banks in U.A.E.**

Emirates Banks Association explored the 20<sup>th</sup> issue of the Booklet “ The Financial Position of Banks in UAE” for the years(2005-2006), whereas the number of distributed copies of this release has increased due to the continuous demand of all parties to have the same which is being a very good and complete reference.

Hence, as you can observe, we pay much of our concern to develop and improve this issue through the past years and onward, and look forward to receive any ideas/suggestion, which may assist in developing and improving it and increasing the benefit expected from its use.

**2. The Group of Verdicts on Banking Cases:**

EBA continued paying more awareness regarding the group of verdicts related to banking cases issued by UAE Courts, whereas the association has issued the 10<sup>th</sup> supplement /2006 including copies of Memos issued by Legal Consultation Committee to be with the issued verdicts as complete reference to banks.

**3. S.W.I.F.T. News Letter:**

Emirates Banks Association continued issuing the quarterly newsletter about SWIFT services in UAE as well as comparing it with Services render to GCC SWIFT User Groups.

During 2007, Traffic Messages sent from UAE has recorded a growth percent ranked 27.07% versus 2006 while the incoming messages has recorded a growth rate ranked 25.79 % during the same year.

The following table indicates percentage of traffic messages sent and received compared by GCC during 2007 has levied to 36.83% versus the total number of sending messages of the same during last year, and 51.15 of received messages of the incoming messages versus the total messages by all GCC in 2006.

Comparative List for SWIFTNet FIN Traffic Messages Sent & Received in  
G.C.C  
(2006 - 2007)

الرسائل الصادرة Total Sent				
	Growth	2007	2006	
Total GCC	% 21.20	<b>33,461,497</b>	<b>27,606,994</b>	اجمالي دول مجلس التعاون الخليجي
Total UAE	% 27.07	<b>12,325,943</b>	<b>9,699,436</b>	دولة الامارات العربية المتحدة
Total Percentage		% 36.83	% 35.13	النسبة المئوية

الرسائل الواردة Total Received				
	Growth	2007	2006	
Total GCC	% 21.98	<b>22,633,012</b>	<b>18,553,896</b>	اجمالي دول مجلس التعاون الخليجي
Total UAE	% 25.79	<b>11,577,500</b>	<b>9,203,153</b>	دولة الامارات العربية المتحدة
Total Percentage		% 51.15	% 49.60	النسبة المئوية

On the other side, and in its 4<sup>th</sup> quarter 2007, SWIFT Country Watch revealed that the share of sending and receiving messages from UAE country versus to other countries was ranking as follows:

**Sending Messages :**

Area	UAE Ranking	UAE % Versus other Countries
- Top 10 countries in the Middle East	1	33.1%
- Total SWIFT Sent	32	0.3%

**Receiving Messages :**

Area	UAE Ranking	UAE % Versus Other countries
- Top 10 countries in the Middle East	1	35.5%
- Total SWIFT Received	32	0.3%

- It is worth mentioning, that SWIFT has officially opened its Middle East Regional office in Dubai on March 2007, headed by Charles Legrand, Regional Head, Commercial Channels and Developing Markets, till the formation of the new region that combines the Middle East and North Africa regions (MENA) in January 2008.  
Mr. Sido Bestani, appointed as Regional Head for (MENAA) based in Dubai replacing Mr. Legrand.

**Seminars Organized Or Attended by E.B.A.**

***- Conferences/Seminars/Exhibitions/Lectures/workshops &/meetings  
Attended by E.B.A.***

**A. Conferences:**

<b>Date</b>	<b>Subject</b>
5-6/2/2007	Conference under the title “Abu Dhabi Economic Forum” organized by Alktissad Wal-Aamal in collaboration with Abu Dhabi Chamber of Commerce under the patronage of H.H. General Sheikh Mohammed bin Zayed Al Nahyan, held in the Emirates Palace in Abu Dhabi.
10-11/2/2007	International conference organized by Dubai International Arbitration Centre “DIAC” in collaboration with “UIA” under title “International Banking & Finance in the Gulf Area”, held in Dubai.
4/3/2007	Conference under the title “CEO Leadership Summit” organized by Dubai Quality Group under the patronage of H.H. Sheikh Ahmed bin Saeed Al-Maktoum, held in Dubai International Finance Centre in Dubai.
8/3/2008	“World CEO Forum” organized by Abu Dhabi Chamber of Commerce & Industry in partnership with The World CEO Forum & The Chief Executive Officers Club, held in Emirates Palace in Abu Dhabi.
17-20/3/2007	“The Fourth International Conference On Hawala” organized by Central Bank of the UAE in collaboration with the IMF & MENAFATF, held in Abu Dhabi.
11-12/4/2007	“Global Real Estate : A World of Opportunities” organized by Union of Arab Banks in collaboration Association of Foreign Investors in Real Estate “AFIRE”, held in Marriott Hotel in Dubai.
26/4/2007	Oneday conference on “Liquidity Management Tools for Islamic Banks”, under the sponsorship of the Central Bank of UAE and Dubai bank, held in Burj Al Arab – Dubai.

15-16/5/2007	“4 <sup>th</sup> Islamic Financial Services Board Summit” organized by Islamic Financial Services Board under the royal patronage of H.H. Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President and Prime Minister & Ruler of Dubai, held Grand Hyatt Hotel in Dubai.
22-23/5/2007	The 8 <sup>th</sup> GCC Banking Conference under the title “Managing Growth and Risk in an Era of Openness” organized by National Bank of Kuwait in cooperation with the GCC Secretariat General and the Central Bank of Kuwait, held in Sheraton Hotel – Kuwait.
28-29/6/2007	International Arab Banking Summit for 2007 under the title “Euro – Arab Banking Dialogue”, organized by Union of Arab Banks in cooperation with the WUAB, European Banking Federation, World Bank and IBF, held in Brussels – Belgium.
4-5/11/2007	Conference on “Public-Private Sectors’ Partnership & Relevant Positive Impact on Developing Local & Global Economies” organized by Abu Dhabi Chamber of Commerce & Industry and International Informatization Academy, held in Emirates Place in Abu Dhabi.
7-8/11/2007	The Annual Arab Banking Conference 2007 organized by Union of Arab Banks held in Doha – Qatar.
18-20/11/2007	“Women’s Global Economic Forum” organized by Federation of U.A.E. Chambers of Commerce & Industry under title “Women: An Active Partner to Development” under patronage of H.H. Sheikha Fatima Bint Mubarak , held in Beach Rotana Hotel – Abu Dhabi.
9-11/12/2007	“The MENA International Money Laundering / Terrorist Financing Conference and Exhibition” organized by Union of Arab Banks in cooperation with the Association of Certified Anti-Money Laundering Specialists (ACAMS), held in Dubai.
12-13/12/2007	Third US-MENA Conference “U.S. – Middle East/North Africa Private Sector Dialogue on Anti-Money Laundering and Counter Terrorist Financing (AML/CFT)” organized by Union of Arab Banks with the support of the U.S. Department of the Treasury and in cooperation with the Middle East and North Africa Financial Action Task Force, held in Dubai.

**B. Seminars :**

<b>Date</b>	<b>Subject</b>
22/1/2007	Seminar on Enterprises for privatization and investments in Jordan Organized by Abu Dhabi Chamber Of Commerce & Industry in Rotan Beach – Abu Dhabi
7/2/2007	Seminar on: “Public Interest Societies – Current Aspects & Future Prospects” organized by Jurists Association in Sharjah.
12/2/2007	Seminar on “Education, Training and Qualifications in the Financial Services Sector”, organized by The Lord Mayor of the City of London, held in Royal Meridien Hotel in Abu Dhabi.
17/2/2007	Closed Seminar on : Unified GCC Currency organized by Abu Dhabi Chamber Of Commerce & Industry in Abu Dhabi.
22/2/2007	Seminar on : “ Rehabilitation of UAE National Retirees”, organized by Ministry of Presidential in cooperation with UAE Academy, held in Abu Dhabi Chamber of Commerce and Industry in Abu Dhabi.
30/4/2007	Seminar on “The International Effect of Arbitral Awards” organized by Dubai International Arbitration Centre in Dubai.
2/7/2007	Seminar on “Abu Dhabi Vocational Education and Training Institute (ADVETI) : Vocational Skills for Business and Industry”, organized by Abu Dhabi Chamber of Commerce and Industry in cooperation with the Institute, held in Abu Dhabi.

**C. Exhibitions / Lectures/ Workshops:**

<b>Date</b>	<b>Subject</b>
15/1/2007	Invitation in honor of H.E. the Senior Minister of Singapore (Chairman of Monetary Authority of Singapore), as per invitation received from Central Bank of the UAE, held in the Central Bank in Abu Dhabi.
12/2/2007	Invitation received from The Britanic Majesty’s Ambassador to meet the Lord Mayor of London and senior financial services business delegation held in Abu Dhabi.
23-24/2/2007	Workshop on “UCP 600”, arranged by ICC UAE – Banking Commission, held at Commercial Bank of Dubai in Dubai.

5/3/2007	The “National Career Exhibition For the Banking & Financial Sector held by HRDC under the Auspicious of H.H. Sheikh Dr. Sultan Bin Mohammed Al Qassimi Supreme Court Member In Expo Centre in Sharjah.
29/4/2007	Program on “Banks Liabilities regarding Money-Laundering held by Emirates Institute for Banking & Financial Studies held in Central bank Of UAE in Abu Dhabi.
1/5/2007	“Economic Intelligence Forum 2007”, organized Higher Colleges of Technology in cooperation with The French Business Group” and "Global Security Network”, under the patronage of H.E. Sheikh Nahyan Mabarak Al Nahyan, held in Abu Dhabi.
2/6/2007	Interview held in the Association’s office with representative of New York Times magazine about Banking Business in UAE.
9/9/2007	Forum on “ Riyada Brogram for establishment & Development of Small enterprises “ organized by Abu Dhabi Chamber of Commerce & Industry jointly with UND & Arab Regional Centre for Training and Development of Business men in United Kingdom of Bahrain held in Abu Dhabi.
31/10/2007	Invitation to a Dinner/Meeting in honor of Governor of National Bank of Belgium, under the title “The Developments relating to Banking Supervision in Europe”, held in Place Hotel – Dubai.
23/11/2007	Yearly reception organized by DIFC.

**D. Meetings :**

<b>Date</b>	<b>Subject</b>
28/2/2007	Meeting held by Central Bank on the light of program of meetings for The MENA International Money Laundering / Terrorist Financing & (FSAP) at the premises of the Central Bank in Dubai.
15/3/2007	Meeting on “Anti-Money Laundering & Suspicious Cases Unit (AMLSCU)” and “IMF/WB AML/CFT Assessment Mission under FSAP to UAE”, organized by IMF, WB and Central Bank of UAE, held in Abu Dhabi .
12/5/2007	“The 34 <sup>th</sup> General Assembly Meeting”, of Union of Arab Banks held in Bristol Hotel in Lebanon.
9/7/2007	Meeting with SWIFT delegation and Senior executives Directors from Central Bank Of the UAE regarding enhancing the Money Exchange Centres in SWIFT services.

**Circulars Issued by E.B.A. During 2007:**

<b>Circular No.</b>	<b>Date</b>	<b>Subject</b>
1/2007	14/1/2007	The 10 <sup>th</sup> supplement – (2006) of the Group of Verdicts on Banking Cases.
2/2007	16/1/2007	Conference on “International Banking & Finance in the Gulf Area”, organised by Dubai International Arbitration Center in Dubai.
3/2007	27/1/2007	Requesting UAE National Banks to name / nominate representative to the Board of Union Arab Banks Board Membership for another term.
4/2007	27/2/2007	Requesting all Banks to provide their Data & Financial Statements of 2005 – 2006 to be published in the yearly booklet of the “Financial Position of Banks in the UAE” .
5/2007	10/4/2007	Reminder to the circular No. 4/2007 dated 27/2/2007.
7/2007	21/4/2007	Up-dating data & information related to banks to be included in the “Directory of Arab Banks & Financial Institutes published by Union Of Arab Banks”.
8/2007	7/7/2007	Declaration of the International- Arab Banking Summit “Euro-Arab Banking Dialogue” organized by Union of Arab Banks in Brussels – Belgium 28-29/6/2007
9/2007	15/7/2007	Requesting UAE Banks to provide the Association with names of the Head of Legal Dept. and/or Legal Advisor.
10/2007	12/8/2007	Invitation to all UAE Bank Officials and Financial Professionals to join an Online-Financial Training two courses extended by the “ United Nations Institute For Training & Research placed in Beirut - Lebanon
11/2007	15/10/2007	Declaration of the Agreement (MOU) between: Union of Arab Banks (UAB) / and Italian Banking Association (ABI).

12/2007	28/10/2007	Invitation received to attend a Forum On “The First Arab Forum of the Managerial Leaders” organized by Federation of GCC Chambers (fgccc) held in Abu Dhabi.
13/2007	3/11/2007	Invitation extended by Union of Arab Banks, to attend the Middle East-North Africa International Money Laundering / terrorist financing Conference & Exhibition in Cooperation with ACAMS.
14/2007	3/11/2007	Copy of the Draft/Mena – OECD Policy Brief for Bank Corporate Governance that received from Hawkamah Institute for Corporate Governance (Hawkamah).
15/2007	5/11/2007	EBA 25 <sup>th</sup> anniversary of Emirates Banks Association (1982-2007) and the commemorative stamp of (AED 1) which issued by Emirates Post.
16/2007	12/11/2007	Declaration on: The Annual Arab Banking Conference For 2007 “An Arab Vision for the Economic Summit: Bankers, Investors and Finance Professionals Recommendations” conference For 2007 organised by Union of Arab Banks in Doha – Qatar.
17/2007	25/11/2007	Invitation extended by Union of Arab Banks to attend the two conferences organised in Dubai on: Middle East-North Africa International Money Laundering/terrorist financing Conference & Exhibition in Cooperation with ACAMS and the second one on : The Third U.S. – Middle East and North Africa Private Sector Dialogue (US-MENA PSD) .

Finally, we hope that we have highlighted the important activities performed by the EBA during the year, and over its past years approaching 25 year anniversary (1982-2007). In this report we also, mentioned some general economical developments in UAE, the Arab Countries, and GCC, focusing on the banking sector in UAE and the Arab banking sector in general.

Assuring you of our always welcoming to receive your notes/opinions as a manner to improve and develop our profession, and raising it to high levels.

Thanking you with our appreciation for your consideration and cooperation.

**Emirates Banks Association**