



اتحاد مصارف الإمارات  
UAE BANKS FEDERATION

Activities  
Fourth Quarter  
2017

### **1. BOARD OF DIRECTORS MEETING:**

The Board held its second meeting for the year 2017 and reviewed the latest developments in the banking sector as well as UBF strategic objectives and action plan for 2018, Activities and initiatives launched during 2017, and new brand identity of UBF.



### **2. CEOs ADVISORY COUNCIL MEETING:**

During its fourth meeting in 2017, UBF CEOs advisory council discussed the following topics: Digitization standard for the blockchain, and SMEs access to finance. Also, the Council discussed latest developments and challenges in the banking sector as well as relevant banking regulations.



**3. VALUE ADDED TAX “VAT”:**

Meetings continued between UBF and CBUAE on VAT implementation in the banking sector.

**4. SME Regulations:**

At the request of the Central Bank, all banks in UAE were consulted on the draft Regulations and their views on same were sent to the Central Bank by UBF. Several meetings were held thereafter by UBF Director General and the representatives of the SME Committee with the designated team of the Central Bank and discussed subject and agreed to form a bilateral working group in order to continue engagement. The Regulations aim to enhance finance to the SME sector.

**5. Corporate Governance Regulations:**

At the request of the Central Bank, all banks in UAE were consulted on the draft Regulations and their views on same were sent to the Central Bank by UBF.

**6. Outsourcing Regulations:**

At the request of the Central Bank, UBF shared the “outsourcing Regulations” draft, received from CBUAE, with all banks in UAE for comments and opinion. Received banks’ comments were sent to CBUAE for consideration.

**7. IMAGE CHEQUE CLEARING SYSTEM “ICCS”:**

UBF team continued its meetings with the concerned committee in CBUAE to discuss ways and measures that could be implemented to counter cheque fraud, as well as the techniques that could be used to enhance the security measures of cheques processing.

**8. UAE Banks Federation Reveals New Brand Identity:**

The new UBF logo was adopted by the CEOs Advisory Council and launched in November 2017. The design is inspired by the smooth flow of Arabic calligraphy characters and the sophisticated shapes derived from the high sail, it is rooted in the rich heritage of the UAE, these symbols speak of the union and solidarity of member banks.

**9. AL ETIHAD CREDIT BUREAU:**

- The Steering Committee, which includes representatives of the UBF and Al Etihad Credit Bureau (AECB), held its third meeting where topics of common interest were discussed. On the other hand, bilateral meetings were held at the technical teams level and discussed the prevention of fraud and forgery, information technology and information security.
- UBF Retail Credit Committee discussed with the concerned committee of AECB the revisiting credit reports pricing and fees.
- UBF SME committee members attended a workshop on "Credit rating for companies and institutions" organized by AECB.
- The Chairman of UBF Information Technology Committee met with the head of Information Technology at AECB where topics of common interest were discussed.

**10. Association of Omani Banks:**

The Chief Executive Officer of the Association of Omani Banks (AOB), Head of Information Security Department and Head of Information Technology Department of the Association met with the Director General of UBF in Abu Dhabi and member of the UBF Information Security Committee. The parties discussed UBF initiative on "the Platform of information sharing related to cyber threats "which was launched in 2017 as well as UBF's activities and initiatives.

**11. Combating SIM Swap Fraud:**

Meetings were held by the working group of UBF with the Central Bank and the Telecommunications Regulatory Authority representatives and discussed ways to develop solutions and counter forgery and fraud resulting from SIM swap that directly affect the operations of banks.

**12. Court Banking Experts:**

Meetings continued between UBF, the Ministry of Justice and Central Bank to discuss the development of the court banking experts profession.

**13. Dubai Courts:**

UBF working group, consisting of UBF Director General and Chairman and members of UBF Legal Committee, had its second meeting with the concerned team at Dubai Courts and discussed issues of mutual interest.

#### **14. "HIMAYA" Cyber Threat Intelligence Collaboration Forum:**

In coordination with the UBF Information Security Committee, the UBF hosted the "Himaya" Cyber Threat Intelligence Collaboration forum", in cooperation with "Al Iktissad Wal Aamal", in the presence of the Heads of Information Security and Cybersecurity, Information Technology, Risk Management, and Compliance of UBF members. The forum discussed the importance of cooperation and information sharing to face future challenges, also the speakers highlight the increasing risks of cyber threats with the development of digital banking services and digital transformation. The forum also addresses the importance of keeping laws, regulations and legislations up to date with the changing nature of cyber challenges and will showcase the best coping methods provided by new programs and technology (FINTECH). The forum was held at the Conrad Hotel, Dubai on 11/12/2017. HIMAYA was hosted the leading experts from the UAE and the region, including Thabet Bakheet, Head of Information Security at the UAE Central Bank; William Carter, Deputy Director and Fellow, Technology Policy Program at the Center for Strategic and International Studies, USA; Patrice Favre, Chairman of Information Security Committee, UBF; Hugh Njemanze, CEO of Anomali; John Morgan Salomon, Regional Director for Europe and the Middle East at FS-ISAC; Talat Hafiz, Secretary General, Media and Banking Awareness Committee of the Saudi Banks.



#### **15. Department of Economic Development (DED) - Abu Dhabi:**

At the request of the Abu Dhabi Department of Economic Development, UBF Director General, joined by manager of Research, met with DED delegation and discussed Emiratisation in the banking sector.

#### **16. SWIFT :**

A roundtable discussion was held between Dr. Mark Hoffmann, CEO -Information Security at SWIFT's Executive Management, with members of the Information Security Committee of the UBF. The participants discussed the main challenges facing the local banking sector in terms of information and cyber security as well as the future of the external payments sector.



### **17. Middle East Banking Forum 2017:**

In association with the Financial Times - The Bankers, UBF hosted the 5<sup>th</sup> Annual Forum "Middle East Banking Forum 2017" with the support of the Central Bank, under the theme of "Harnessing the Forces of Global Disruption"; the forum was held at the St. Regis Hotel, Saadiyat Island, Abu Dhabi on 22/11/2017, in the presence of nearly 400 banking and finance leaders, experts and C-level executives from the country and wider region. The forum discusses the key issues related to examined the sector's preparedness to face the disruption and explored the challenges and opportunities it offers. The Governor of the Central Bank delivered the opening speech of the conference; His Excellency participated with the Chairman of UBF, and Mr. Jassem Al Bastaki, Secretary General of the UAE Entrepreneurs Association, and Pierre Luigi Gilbert, Chief Executive Officer of the European Investment Fund, participated in a panel to discuss major financing challenges faced by small and medium enterprises (SMEs) in the UAE and explored ways in which banks can catalyze the growth of the organizations at the event. Dr. Andrei Kirilenko, Director of the Centre for Global Finance and Technology at the Imperial College Business School, also participated as a keynote speaker, delivering a presentation on "'Harnessing the forces of global disruption"; Mr. Ronit Ghosh, Managing Director, Global Banks Sector Head, Citi Research, Citigroup, also took part in the conference and presented a presentation under the title " robo-banker: advanced analytics and artificial intelligence"; Mr. Royce Curtin, Director, Group Intelligence, Barclays sitting on the cybersecurity panel titled "Dangers in cyberspace – what would it take to bring down a bank?". The forum was concluded with a lecture delivered by Ralph Hamers, Chief Executive Officer and Chairman of the Executive Board, ING Group, explaining how to capture the power of digital technology, and that with opportunities comes risks – escalating costs, the possibility of untested technology failing to deliver, security weaknesses.



### **18. Wealth Management Committee:**

Meetings were held between UBF Director General, joined by the Chairman of the UBF Wealth Management Committee, with the concerned team at the Central Bank where the framework of cooperation on topics and issues of common interest was discussed.

**19. The International Islamic Conference 2017:**

The UBF contributed as a strategic partner in supporting the International Islamic Conference 2017, an international conference organized annually by the Islamic Financial Stability Board (IFSB) of Malaysia. The conference was hosted by the Central Bank in Abu Dhabi during 23-26 October 2017 and discussed Islamic finance.

**20. UBF Committees:**

In line with UBF committees' governance, namely the re-formation of the UBF technical committees every two years, UBF SME and Risk Management committees have been re-formed with new members and Chairpersons elected.

**21. VISA:**

At the request of the UBF Marketing Committee, representatives of Visa International, attended the committee meeting. latest developments and studies on "Financial Awareness" and "FINTECH" were discussed. Further UBF / Visa meeting was held where possible mutual collaboration on "Financial education" was discussed.

**22. Dubai Islamic Economy Development Centre (DIEDC):**

UBF manager of Research and Studies, joined by the Chairman of the UBF Islamic banking Committee met with the Director of DIEDC and discussed possible mutual collaboration.

**23. Dubai International Financial Center**

UBF Director General met with Acting Vice Chairman of "FINTech-Hive" Program at the DIFC and discussed the program and possible mutual collaboration.

**24. Arab Monetary Fund :**

Upon the invitation of the Fund, the UBF manager of Research and Studies, attended a presentation on "Prospects of the Economic, Regional and International Developments" presented by the International Monetary Fund in Abu Dhabi.

**25. Emirates Development Bank:**

UBF Director General met with the CEO of the Emirates Development Bank to discuss possible mutual cooperation.

**26. Annual Committees Chairpersons Meeting :**

The Chairman of the UBF met with the Chairpersons of the 19 technical committees during the annual meeting to follow up and evaluate the activities and initiatives of the committees, namely: the launching of the first platform for sharing of information related to cyber threats to banks in the UAE, the Ethical selling framework, the development of a unified framework for dealing with customer complaints, AML Assessment framework, standardization of Islamic windows, the promotion and fostering of SME lending environment in UAE. H.E commended the efforts of committee members and the achievements accomplished during the year 2017. The meeting was attended by the chairs of the committees. During the meeting, the 2018 work plan was reviewed and the main

priorities were identified, namely: artificial intelligence, applying the "Know your customer" principle in the Block Chain technology, creating a handbook on SME finance, organizational challenges, financial fraud information sharing platform, human resources platform and system, payment center, development of interbank Repo market, creation of a digital application for financial literacy, a unified network for data exchange (Block Chain), open ended guarantees , decriminalization of bounced checks, implementation of Value Added Tax, and the International Financial Reporting Standards (IFRS9).



## **27. UBF COMMITTEES MEETINGS:**

- **Wealth Management Group:**

Topic discussed:

- Promotion Regulations
- The Private Fund Limited Partnership
- Regulatory Overlap
- Products Suitability and Appropriateness
- Qualification of Investment Advisors
- Investment Services

- **Islamic Banking Committee:**

Topics discussed:

- Collateralized Murabaha Agreement
- Drawing on Reserves Facility
- Collaboration with Dubai Islamic Economy Development Centre
- Leasing Finance Draft Law
- Emirates Digital Wallet



- **Operations Committee:**

Topics discussed:

- KYC
- Account Operations and Documentation
- UAE Purpose of Payment Codes
- Returned Cheques Guidelines
- Measures to Combat Cheque Fraud
- VAT
- Outsourcing regulations

- **Wholesale & Corporate Banking Committee:**

Topics discussed:

- Credit Bureau Reports
- Central Repository for Documents
- Modus Operandi (to support businesses in distress)
- Leasing Finance Draft Law

- **HR Practice Committee:**

Topics discussed:

- Nationalization Strategy
- Mentoring program by CEOs for UAE National Executives

- **Legal Committee:**

Topics discussed:

- Open Ended Guarantees
- Outsourcing Regulations
- New Companies Law
- Corporate Governance for Banks
- Leasing Finance Draft Law
- Decriminalization of Cheques
- Court Banking Experts
- Bankruptcy Law
- Retail mortgage loans
- Borrowers willful default

- **Audit Committee:**

Topics discussed:

- VAT
- IFRS 9
- Audit Plan Methodology in Banks

- **Retail Banking Committee:**

Topics discussed:

- VAT
- Ethical Selling
- Debt Rehab for Expats

- **Financial Markets Committee:**

Topics Discussed:

- Emirates Interbank Offered Rate (EIBOR)
- CD/ Market Treasury Bills
- Interim Marginal Lending Facility (IMLF)

- **Compliance Committee:**

Topics discussed:

- Draft Regulations on Corporate Governance
- Crypto-Currency / Bitcoin
- Dormant Accounts

- **Information Security Committee:**

Topics discussed:

- UBF Information Security Conference (HIMAYA)
- Cyber Intelligence Sharing Platform System
- Payments System
- Cyber Security Maturity Assessment
- Cyber Drill with AECB
- “ General Data Protection Regulation (GDPR)” impact for UAE Banks

- **Finance Committee:**

Topics discussed:

- IFRS9
- Value Added Tax

- **IT Committee:**

Topics Discussed:

- Outsourcing Regulations
- Data Retention
- Emirates Digital Wallet
- Innovation
- Vendor Management & Partnerships

- **Fraud Prevention Committee:**

Topics discussed:

- Measures to Combat Cheque Fraud
- Fraud prevention information Bureau
- Payments System
- Digital Fraud Threat and Attack Vectors
- Fraud Awareness Campaigns / Initiatives
- Crypto-Currency / Bitcoin

- **Digital Banking Committee:**

Topics discussed:

- Block Chain Technology Initiative (KYC)

- **Risk Management committee:**

Topics Discussed:

- IFRS9
- Value Added Tax
- Bankruptcy Law
- Outsourcing Regulations
- SME – Audit issues & solution

- **Retail Credit Committee:**

Topics discussed:

- Credit Bureau Reports
- Financial Literacy
- SME Draft Regulations