



ACTIVITIES DURING SECOND QUARTER 2017

1. CEOs ADVISORY COUNCIL MEETING :

During its Second meeting in 2017, UBF CEOs advisory council reviewed progress on current initiatives namely, Ethical selling Code of Conduct as well as Customers Complaint Framework. Also, discussed the following topics: study of blockchain technology and to explore opportunities for creating an industry standard to digitize various processes within the banks, as well as the key topics to be addressed during the fifth edition of the Middle East Banking Forum, which is scheduled to take place on 22 November 2017.



2. IMAGE CHEQUE CLEARING SYSTEM "ICCS":

In coordination with the CBUAE, a workshop was conducted to all banks operating in UAE on possible measures that could be adopted in UAE to strength the cheques processing by banks and improve security of cheques. UBF Director General and representatives of UBF Operations and Fraud Preventions Committees attended the workshop. Also, UBF team continued its meetings with the concerned committee in CBUAE and discussed ways and measures that could be implemented to counter cheque fraud, as well as the techniques that could be used to enhance the security of cheques.

3. AL ETIHAD CREDIT BUREAU:

The Steering Committee, comprising UBF and Al Etihad Credit Bureau, held its second meeting for 2017 and discussed issues of common concern including: Fraud prevention, information technology, information security, Credit reports, and scoring.

4. CYBER THREAT INTELLIGENCE PLATFORM:

During its March meeting, UBF CEOs Advisory Council has approved Information Security Committee's proposal calling for the creation of a cyber intelligence sharing platform which will allow banks to better identify, protect, detect and respond to cyber-attacks. The new intelligence sharing platform will enable member banks to seamlessly collect, analyze and share data on cyber threats.

5. INFORMATION SECURITY AND FRAUD PREVENTION:

UBF and CBUAE working groups held their second joint meeting and discussed issues related to fraud prevention and information security including: banks cybersecurity and measures that could be adopted in UAE to enhance the cheques processing by banks and improve security of cheques.

6. COURT BANKING EXPERTS:

UBF Director General and UBF Research and Studies Manager had a meeting with CBUAE and MoJ representatives and discussed progress on UBF initiative on subject.

7. BASEL III SEMINAR:

In coordination with UBF Risk Management Committee, UBF will be hosting a Seminar, for all member banks heads of Risk and Finance, on Basel III on Sept. 13th 2017 and invite S & P Global Ratings to discuss implementation of Basel III.

8. INTERNATIONAL ISLAMIC CONFERENCE 2017 :

UBF has agreed to participate as Strategic partner in the International Islamic Conference which will be organized by the Islamic Financial Services Board (IFSB) (Malaysia), on Islamic Finance, and will be hosted by the UAE Central Bank and scheduled to be held in Abu Dhabi on 23-26 October 2017. On the other hand, the Acting Secretary General of the Islamic Financial Services Board (IFSB) met with UBF Research Manager and UBF Public Relations Manager and discussed issues of common interest.

9. FINANCE COMMITTEE:

UBF Finance committee was formed of fourteen-members banks during June 2017. The Mandate of the committee is to advise and guide UBF on development of financial and accounting standards and regulations as well as to enhance financial and regulatory reporting.

10. ETHICAL SELLING:

Upon CEOs Advisory Council approval during November 2016 meeting, and following the evaluation of UBF Retail Banking Committee, a leading international consulting firm was hired to prepare a code of conduct on "Ethical Selling" in accordance with international best practices.

11. UAE SWIFT USER GROUP "SUG":

- SUG AGM held its Ordinary General Meeting on April 26th 2017 and discussed the agenda which included the approval of the audited financial statements for 2016, the budget for 2017, activities of 2016, and the action plan for 2017. The meeting was followed by a workshop organized under the supervision of SWIFT-Dubai office on:

- Customer Security Program (CPS)
- Global Payments Initiative (GPI)
- Innovation

- SUG Management Committee held its meeting on April 26th 2017 and discussed the agenda which included ratification of the financial statements for 2016, budget for 2017, action plan for 2017 and SIBOS 2017.

- UBF hosted a round-table discussion during April 2017 between Mr. Alain Raes, CEO for Europe, Middle East and Africa and Asia Pacific for SWIFT, and Chairmen of the concerned UBF technical Committees to discuss key issues and challenges facing UAE's Banking industry including Cyber security and the future of cross-border payments. Also discussed were SWIFT 2020 Strategy as well as SWIFT's Global payments innovation initiative and UBF initiatives on a series of measures aimed at tightening up security throughout the banking ecosystem.



▪ Over 60 senior executives from leading banking and financial institutions in the UAE gathered in a forum for the SWIFT UAE User Group (members) on June 8th 2017. Hosted by SWIFT and in partnership with UBF, the meeting highlighted the main opportunities and challenges facing the banking industry as well as the need to foster greater collaboration to face payment fraud and enhancing the overall cybersecurity environment. During the meeting, Mr. Arnaud Boulnois, Global head of product management, provided attendees with an overview on SWIFT's global payments innovation (GPI) initiative designed to meet customer expectations for speed and transparency in cross-border payments. Also, he discussed SWIFT Tracker database 'in the cloud' which will give end-to-end visibility on the status of a payment transaction from the moment it is sent until it is confirmed. Further, he introduced the new Customer Security Program, a dedicated program aimed at helping customers reinforce the security of their SWIFT-related infrastructure and provides financial institutions with the necessary tools for strengthening their cyber risk management in the face of persistent threat of attacks.



12. UBF COMMITTEES:

- **Wealth Management Group:**
Topic discussed:
 - Products Suitability and Appropriateness
 - Qualification of Investment Advisors
 - Regulatory Overlap
 - Fund Distribution Regulations
 - Promotion and Distribution Regulations

- **Islamic Banking Committee:**
Topics discussed:
 - Early Settlement
 - Standardization of Islamic Banking Windows
 - Collateralized Murabaha Agreement

- **SMEs Committee:**
Topics Discussed:
 - Progress update on UBF initiative to rescue SME
 - The New Law on Mortgage of Movable assets

- **Operations Committee:**
Topics discussed:
 - Image Cheque Clearing System
 - Measures to Combat Cheques Fraud

- **Wholesale & Corporate Banking Committee:**
Topics discussed:
 - Central Repository for Documents
 - Definition of Commercial Real Estate

- **HR Practice Committee:**
Topics discussed:
Nationalization Strategy
Professional Qualifications Framework
Future of HR

- **Audit Committee:**
Topics discussed:
Financial crime in the finance sector

- **Legal Committee:**
Topics discussed:
Court Banking Experts
Distribution of Dividends by banks to their own shareholders
Real Estate Retail mortgage loans

- **Retail Banking Committee:**
Topics discussed:
Ethical Selling
Credit Bureau Reports
Debt Rehab and Mortgage DSR
Customer Complaints framework

- **Risk Management committee:**
Topic Discussed:
Bankruptcy Law
Etihad Credit Bureau
Outsourcing Regulations
SME – Audit issues
Sovereign Rating

- **Financial Markets Committee:**

Topics Discussed:

- EIBOR
- CD/T Bill
- Interim Marginal Lending Facility (IMLF)
- Capital Standards

- **Compliance Committee:**

Topic discussed:

- Assessment of AML & Sanctions Compliance Framework
- De-Risking
- Blockchain
- SCA regulations

- **Digital Banking Committee:**

Topic discussed:

- Block Chain Technology Initiative
- Outsourcing Regulations
- Digital Banking Regulation

- **Information Security Committee:**

Topic discussed:

- Cyber Security Maturity Assessment in banks
- Cyber Intelligence Sharing Platform
- Outsourcing Regulations

- **Marketing Committee:**

Topic discussed:

- Financial Literacy
- Trust Index 2017
- UBF Rebranding

- **Retail Credit Committee:**

Topic discussed:

- Debt Rehab
- AECB related issues

- **Finance Committee:**

Topic discussed:

- IFRS9
- Basel III regulations
- VAT

- **Fraud Prevention Committee:**

Topic discussed:

- AECB related issues
- SIM SWAP Fraud
- Cheque Fraud
- Digital Fraud Threat and Attack Vectors
- Online Fund / transfer Fraud
- Fraud Awareness Campaigns / Initiatives