After greetings,

Effective 21 April 2021, the Central Bank of the UAE (CBUAE) will introduce a new liquidity management facility, named Intraday Liquidity Facility (ILF), as part of the implementation plan of the new Dirham Monetary Framework announced last year.

The objective of this new facility is to provide eligible counterparties – participants in the UAE Funds Transfer System (UAEFTS) access to AED funding from the CBUAE on an intraday basis, in order to manage unforeseen intraday payment disruptions or gridlocks, and thus ensure that payments are settled on a real-time basis.

To obtain intraday funds from the CBUAE, eligible counterparties are required to submit eligible collateral, as per the requirements set out in the terms and conditions of this new facility. The ILF will also be offered at zero-cost in order to incentivize Eligible Counterparties to repay bor-rowed funds by the designated cut-off time at the end of each business day.
Attached are the General Terms and Conditions of the ILF and related Operational & Settlement Procedures. Any queries in this regard may be addressed to the Monetary Management Department of CBUAE by emailing to:

Monetary.Management@cbuae.gov.ae

Yours faithfully,

Khaled Mohammed Balama
Governor