



Chaired by Mansour bin Zayed, CBUAE board takes measures to limit impact of interest rate hikes on financial sector

ABU DHABI (15 June 2023): His Highness Sheikh Mansour bin Zayed Al Nahyan, Vice President, Deputy Prime Minister, Minister of the Presidential Court and Chairman of the Central Bank of the UAE (CBUAE), has chaired the meeting of the CBUAE Board of Directors, which took place at Qasr Al Watan, Abu Dhabi.

The meeting was attended by Deputy Chairmen Abdulrahman Saleh Al Saleh and Jassem Mohammad Al Zaabi; and CBUAE Governor Khaled Mohamed Balama, along with board members Younis Al Khoori, Sami Dhaen Al Qamzi, Ali Mohammed Bakheet Al Rumaithi. In addition to Ahmed Saeed Al Qamzi and Saif Humaid Al Dhaheri, Assistants Governor, and Ibrahim Al Sayed Al Hashemi, Secretary-General of the Board.

The CBUAE Board reviewed the meeting's agenda and discussed the latest developments of projects and plans for the next period in alignment with national economic and future goals. The projects include the Financial Infrastructure Transformation Programme with a focus on payments, the implementation of the first phase of the CBUAE Central Bank Digital Currency Strategy, and Card Domestic Scheme. The Board assessed the recommended implementation models in accordance with international best practices.

During the meeting, the Board discussed the impact of interest rate hikes in the country's financial sector and approved the recommended solutions to limit the impact on individuals with mortgages.

They also reviewed plans to develop and implement green financing initiatives; the implementation of sustainability strategies in the financial sector; active participation in the 'Year of Sustainability' initiatives; and supporting efforts related to the UAE's hosting of the 28th Session of the Conference of the Parties (COP28).

In addition, they went through the new Emiratisation policies for exchange houses, finance companies and professions related to insurance sector, and made the necessary decision thereof.

The Board approved the issuance of regulations, legislation and policies aimed at supporting the financial and insurance sectors, including the large exposure guidelines, as per the latest standards issued by the Basel Committee on Banking Supervision.

The meeting saw the approval of the new regulatory framework for the short-term financing service, 'Buy Now Pay Later' (BNPL), as well as the policy on processing



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violations of anti-money laundering procedures, in line with the standards issued by the Financial Action Task Force (FATF).

To maintain financial stability, the Board evaluated the requests of a number of licensed financial institutions and made the required decisions within the procedures and conditions set by the Central Bank.

The meeting also reviewed the 2022 report of the Higher Shari'ah Authority, which included the authority's current and future projects, and the regulatory and supervisory steps taken to grow the Islamic finance sector.

At the conclusion of the meeting, H.H. Sheikh Mansour commended the CBUAE Board and the bank's efforts and projects that promote innovation and drive the digital transformation and sustainability, as well as the steps aimed at ensuring monetary and financial stability and integrity. H.H. called for continuing these efforts to keep up with the developments in supervision and digital areas to position CBUAE among the top central banks globally.

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