



List of administrative and financial sanctions under the Central Bank Law and the Anti-Money Laundering and Combating Financing of Terrorism Law

The Central Bank of the UAE (CBUAE) is a Federal public institution having its own body corporate, and enjoying financial and managerial independence. It is the supervisory and regulatory authority regarding shortcomings in Anti-Money Laundering and Sanctions Compliance Frameworks of the financial institutions and persons it licensed.

Under Article 14 of the Decretal Federal Law No. (20) of 2018 and its subsequent amendment by Federal Decree Law No. 26 of 2021, on Anti-Money Laundering and Combating the Financing of Terrorism and Financing of Illegal Organisations, the CBUAE can impose administrative penalties starting with a warning and up to license revocation, and financial penalties of no less than AED 50,000 (fifty thousand dirham) and no more than AED 5,000,000 (five million dirham) for each violation.

Under article 137 of the Federal Decree-Law No. (20) of 2018, regarding the Central Bank and Organisation of Financial Institutions and Activities, and its amendments, the CBUAE can impose penalties ranging from a warning to a fine not exceeding AED 200,000,000 (two hundred million dirham), in addition to withdrawal of the license of the violating Licensed Financial Institution and striking off its name from the Register.

The CBUAE considers several factors when imposing sanctions, such as the impact of the violation on the financial system's soundness, the UAE's reputation as a financial centre and the role of the CBUAE as a regulator imposing effective and dissuasive sanctions.

The CBUAE applies a methodical and consistent approach to imposing sanctions. This approach takes internal standards and regulations into account. On the one hand, this leads to standardisation and predictability of sanctions and on the other hand, sanctions will be tailored if the circumstances require it.

For more information on the Central Bank's Enforcement Mandate and Policy, please [click here](#).

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