



CBUAE Governor and IMF mission discuss UAE financial and banking sector developments

Abu Dhabi (23 May 2024): His Excellency Khaled Mohamed Balama, Governor of the Central Bank of the UAE (CBUAE), met with a mission from the International Monetary Fund (IMF), led by Mr. Ali Al-Eyd, during the 2024 Article IV Consultation to discuss the UAE's economic and financial developments.

The meeting encompassed a review of the UAE's financial and banking conditions, as well as the CBUAE's implementation of monetary policy, specifically in relation to the Dirham Monetary Framework. Additionally, the CBUAE's efforts to maintain sufficient liquidity and safeguard the banking sector, transform the UAE's financial infrastructure, digitise domestic and cross-border payment systems, and combat money laundering and the financing of terrorism were addressed.

His Excellency Khaled Mohamed Balama, Governor of CBUAE, said: "The CBUAE is appreciative of the continuous consultation and knowledge exchange with the IMF as we seek to contribute to sustainable economic growth and bolster the UAE financial sector's stature in line with international standards. The IMF mission's recognition of our efforts to safeguard financial and monetary stability is encouraging as we continue to follow a risk-based approach and a robust supervisory framework. This is in addition to the CBUAE's initiatives aimed at promoting innovation, digitalising the financial sector, and combatting financial crimes. We are committed to continued collaboration with our international stakeholders to ensure the safety and integrity of the global financial system."

In a statement following the conclusion of the mission, **Mr. Ali Al-Eyd, IMF Article IV Consultation's Mission Chief,** recognised the UAE's strong economic growth, driven by robust domestic activity across the various sectors, including financial services. He noted that banks have considerable capital and liquidity buffers overall, and general asset quality has improved. Mr. Al-Eyd also welcomed the creation of the UAE Financial Stability Council, in addition to efforts to continue building fiscal space and complete the implementation of the Dirham Monetary Framework, strengthening the resilience of UAE's financial system. Additionally, he praised the progress made in digitalising the financial system and payment landscape, as well as efforts to combat money laundering and financing of terrorism, particularly noting the implementation of the National AML/CFT Strategy and Action Plan and the removal from the list of jurisdictions under enhanced monitoring by the Financial Action Task Force.

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