



مصرف الإمارات العربية المتحدة المركزي  
CENTRAL BANK OF THE U.A.E.

## **CBUAE issues a new regulation on Stored Value Facilities to support the development of digital payment services in the UAE**

**Abu Dhabi (3 November 2020):** In an effort to ensure that stored value products and services are operated in a secure, sound and efficient manner in the UAE, the Central Bank of the UAE (CBUAE) has issued a new regulation on Stored Value Facilities (SVF).

By introducing this new regulation for the providers of SVFs, the CBUAE aims to facilitate FinTech firms and other non-bank payment service providers easier access to the UAE market while continuing to safeguard the customers' funds, ensure proper business conduct and support the development of payment products and services.

The scope of this regulation includes licensing, supervision and enforcement provisions applicable to the companies, which are licensed to provide SVF. A one-year transitional period will commence on the date when the regulation comes into force. Firms already holding an SVF license granted under the previous regulatory framework may continue operating. Nevertheless, they are required to complete the implementation of the relevant measures set out in the new regulation by the end of the transition period.

**H.E. Abdulhamid M. Saeed Alahmadi, Governor of the Central Bank of the UAE, said:** "We are confident that the new SVF regulation will strengthen the public's confidence in the use of digital products and services and foster further development and innovation across the payments industry. The new regulation constitutes an important milestone in the continued development of a robust regulatory framework for stored value facilities and the digital payments industry as a whole. It is in line with the CBUAE's objectives aimed at safeguarding the stability and integrity of the financial system and payment infrastructure in the UAE, and facilitating further development of digital payments. This regulation will ensure a level playing field for market participants and will help maintain the UAE's status as an international financial centre and a leading payment hub."

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