



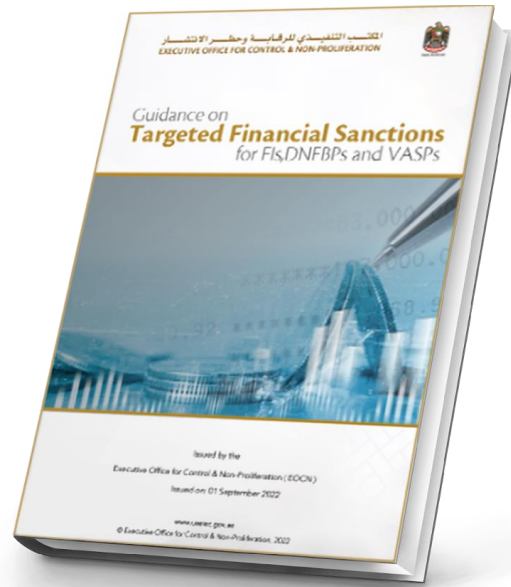
Guidance on Targeted Financial Sanctions

For Financial Institutions (FIs), Designated Non-Financial Businesses and Professions (DNFBPs), and Virtual Assets Service Providers (VASPs)



Purpose of the Guidance on Targeted Financial Sanctions (TFS)

To to define the meaning and scope of TFS measures applicable in the UAE and clarify Reporting Entities' obligations under the UAE's TFS legal framework.



2022



2025



Content of TFS Guideline

- Section 1 - UAE TFS Legal Framework
- Section 2 – TFS Scope and Definition
- Section 3 – Purpose of TFS
- Section 4 – TFS Obligations
- Section 5 - Ownership, Control, and Acting on Behalf or at the Direction of Designated Persons
- Section 6 - Enforcement Measures
- Section 7 - Obligations Regarding Unilateral / Multilateral Sanctions Regimes and Sanctions Evasion



A stylized eagle head is positioned in the upper right quadrant, facing left. Below and to the right of the eagle's head is a fan-like graphic composed of several triangular segments radiating from a central point, resembling a stylized tail or a fan. The entire background is a solid, muted gold color.

Section 1 – Legal Framework

Section 2 – TFS Definition and Scope

Section 3 – Purpose of TFS



UAE Legal Framework



**AML/CFT Federal
LAW No. 20 of 2018
(amended in 2021)**



**Cabinet Decision No. 10 of
2019 on the Implementing
Regulations (amended in 2022)**



**Cabinet Decision No. 74
of 2020**



TFS Obligations under Federal Law



AML/CFT Federal
LAW No. 20 of 2018



Cabinet Decision No. 10
of 2019 on the
Implementing
Regulations (amended in
2022)



Cabinet Decision No. 74
of 2020

Article
16

(e) - FIs, DNFBPs, and VASPs shall:

- Prompt application of the directives when issued by the competent authorities in the state for implementing the decisions issued by the UNSC under Chapter (7) of UN Convention for the Prohibition and Suppression of the Financing of Terrorism and Proliferation of WMD, and other related directives.



TFS Obligations under CD 74 of 2020



AML/CFT Federal
LAW No. 20 of 2018



Cabinet Decision No. 10
of 2019



Cabinet Decision No. 74
of 2020

- Set out the framework for implementing Targeted Financial Sanctions in the UAE.
- Defined the role and obligations of the UAE authorities and appointed the EOCN as the national coordinator for TFS implementation.
- Defined the obligations of the private sector in TFS implementation.
- Defined the procedures to process grievance requests, including de-listing, access to frozen funds, and lifting of freezing measures.

Article 11

Highlights EOCN mandates.

Article 15

Highlights requirements for every person to freeze and report.

Article 21

Highlights Reporting Entities' TFS obligations

Article 22

Highlights Supervisory Authorities mandates.

Article 23

Highlights administrative and criminal penalties for non-compliance.



EOCN's Role in Implementing Targeted Financial Sanctions (TFS)



Circulate updates to the Local Terrorist List and UN Consolidated List without delay.



Collect and **analyze** partial and confirmed name match reports received from both public and private sectors.



Coordinate and **exchange** information between government agencies.



Conduct outreach on TFS with the public and private sector.



Engage with Supervisors to ensure private sector compliance with TFS obligations.



Receive and **process** grievances related to the Local Terrorist List and UN Lists.



TFS Definition

The term **Targeted Financial Sanctions (TFS)** refers to asset freezing and prohibition from making funds or other assets or services available either directly or indirectly, for the benefit of designated individuals, entities, or groups listed in the UAE Local Terrorist List or the UNSC Consolidated List.



TFS Definition

Freeze Without Delay



Freezing of funds



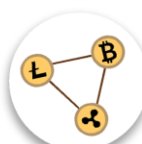
Freezing of real estate assets



Freezing of securities and stocks portfolios



Freezing of gold



Freezing of virtual assets

Prohibition



Services to create, operate or manage businesses



Services to transfer ownership of assets



Services to buy or sell real estate



Scope of TFS in the UAE

Who does TFS apply to?

TFS is applied on the following targets:

UAE Local Terrorist List

UN Consolidated List

- a) Any Person (natural or legal) designated in these lists.
- b) Any entity, directly or indirectly **owned or controlled by** a Person designated under (a).
- c) Any Person **acting on behalf of or at the direction of** any Person designated under (a) & (b).

Asset freezing and prohibition measures have **no time limit**



Scope of TFS in the UAE

Designations on other lists

For designations on **other unilateral / multilateral sanctions or criminal lists** (e.g. OFAC, UKHMT, EU, Interpol etc.), contact your Supervisory Authority (SA) on the appropriate course of action for dealing with matches on other sanctions or criminal lists.



Section 3: Purpose of TFS

To deny certain individuals, entities, or groups the means to violate international peace and security, support terrorism or finance proliferation.

TFS are implemented in the UAE pursuant to UNSCRs in relation to:

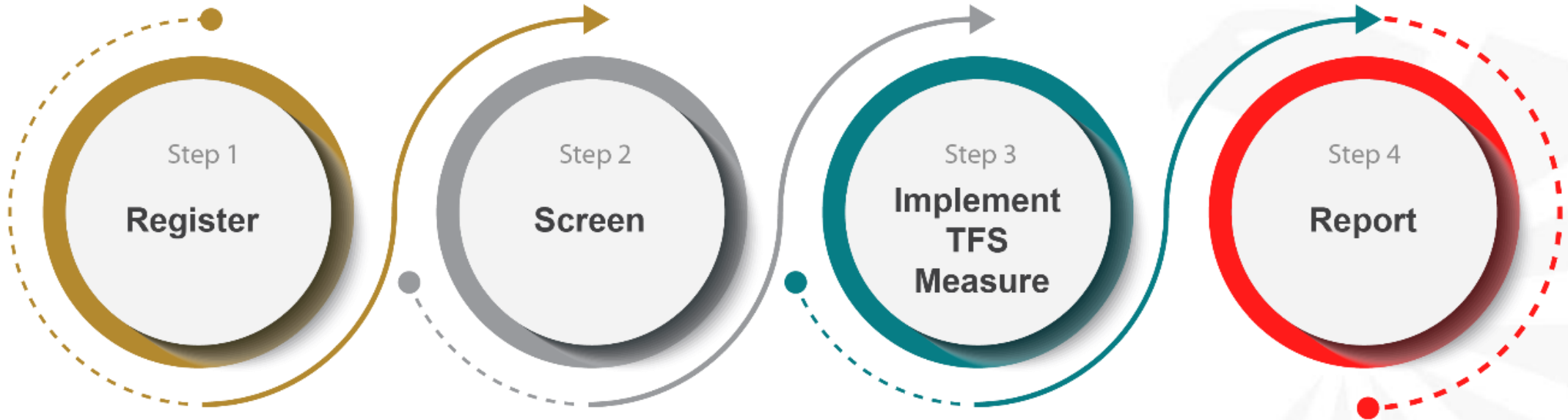
- Terrorism and Terrorism Financing (TF)
- The Proliferation of Weapons of Mass Destruction (WMD)
- Other UN sanctions regimes with TFS measures

Section 4:TFS Obligations





TFS Implementation Steps





TFS Implementation Steps

Step 1

Register

Screen

Apply TFS

Report

Reporting Entities are obligated to subscribe to the EOCN's Notification Alert System to receive automated email notifications on any updates to the Sanctions Lists (Local and UN Lists).

[EOCN Website](#)





TFS Implementation Steps - Register

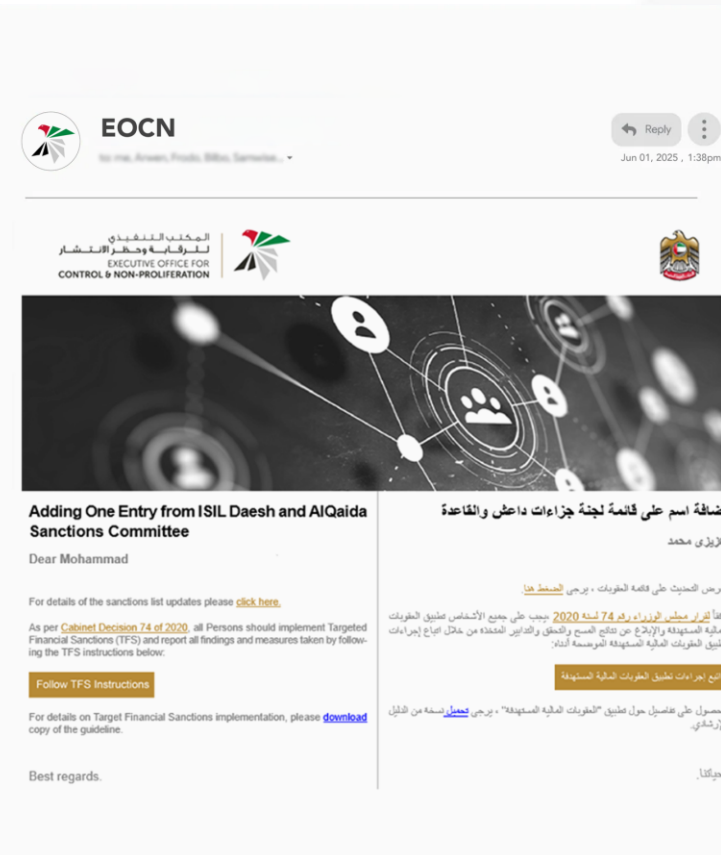
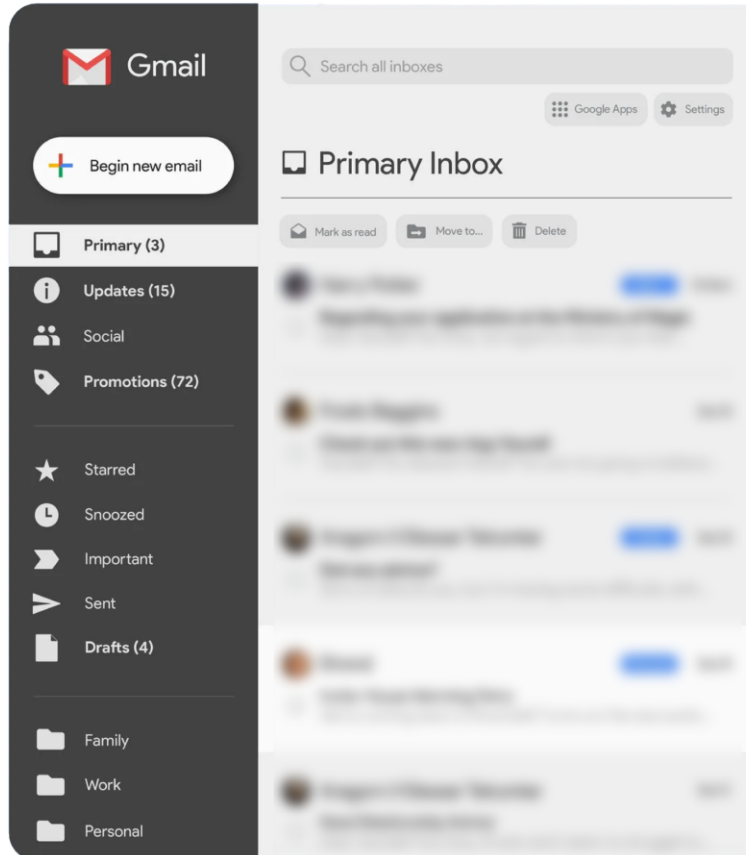
Step 1

Register

Screen

Apply TFS

Report





TFS Implementation Steps – Screen

Step 2

Register

Screen

Apply TFS

Report

- Undertake regular and ongoing screening on the latest Local Terrorist List and UN Consolidated List.
- Screening should be conducted in the following circumstances:
 - ✓ Upon any updates to the Local Terrorist List or UN Consolidated List.
 - ✓ Prior to onboarding new customers.
 - ✓ Upon KYC reviews or changes to a customer's information.
 - ✓ Before processing any transaction.
- Screening should include existing customer databases, ultimate beneficial owners and parties to transactions.



TFS Implementation Steps – Screen (Identifiers)

It is essential to ensure that the screening is done on the key identifiers **first** prior to considering any other identifiers (such as “a.k.a – also known as”).

For Natural Persons

- ✓ Name
- ✓ Date of birth
- ✓ Nationality
- ✓ ID or passport information
- ✓ Last known address

For Legal Persons

- ✓ Name
- ✓ Address of registration
- ✓ Address of branches



TFS Implementation Steps – Screen (Possible Outcomes)

There are four possible outcomes following the screening process:

Confirmed Name Match

When an individual, entity, or group matches all the key identifiers published on the UAE Local Terrorist List or UNSC Consolidated List.

1

Partial Name Match

A partial match between the key identifiers in the UAE Local Terrorist List or UNSC Consolidated List and a customer's information in your database, and you are unable to conclude a False Positive or a Confirmed Name Match.

2

False Positive

A match to listed individuals, entities, or groups, which upon examination of key identifiers, such as full name, DOB, and nationality, proves not to be the designated individuals, entities, or groups.

3

Negative Match

When no match is identified upon screening the UAE Local Terrorist List or UNSC Consolidated List.

4



TFS Implementation Steps – Screen (Weekends & Public Holidays)

Reporting Entities should have appropriate internal procedures to effectively screen against the UAE Local List and the UNSC Consolidated List and prevent access or use of funds or other assets that may be subject to freezing measures.

If the Reporting Entity is not conducting any business activities or transactions and where customers do not have access to any assets or accounts during weekends or holidays, then the screening obligation starts from the first minute of commencement of business and freezing measures must be applied immediately.

- ✓ **In any case, Reporting Entities should ensure that funds or other assets subject to TFS measures are prevented from being accessed or used.**



TFS Implementation Steps – Apply and Report TFS Measures (Confirmed Name Match)

Step 3 & 4

Register

Screen

Apply TFS

Report

Confirmed
Name
Match

Existing Customer

Potential /
Counterparty Customer

Freeze Assets
Without Delay
Remain in effect until de-listing

Reject Customer /
Transaction

Submit CNMR
Via goAML
Within 5 business days

Submit CNMR
Via goAML
Within 5 business days



TFS Implementation Steps – Apply and Report TFS Measures (Partial Name Match)

Step 3 & 4

Register

Screen

Apply TFS

Report



Existing Customer
(ID Available)

Suspend and Submit PNMR
Via goAML
Within 5 business days

EOCN reply received

False Positive

Cancel/Lift
Suspension Measures
No reporting required

Confirmed Name Match

Freeze and Submit CNMR
Via goAML within five business days

Potential /
Counterparty Customer
(ID NOT Available)

Take Necessary
Efforts to Obtain
ID Documents

ID provided within reasonable period
(10 business days)

Follow Same Process
as Existing Customer
(ID Available)

Reject / Cancel Transaction
and Submit PNMR
Via goAML
Within 5 business days

ID NOT provided within reasonable
period (10 business days)

Conduct Screening and
Follow the Same Process
as Existing Customer
(ID Available)

ID obtained after 10 business days



Previous Business Relationships / Transactions and Record Keeping

- ✓ Reporting Entities are required to maintain records of all screening results for **at least five years**.
- ✓ CNMRs should also be reported on previous business relationships and transactions occurring and accounts held **prior to the designation**, covering a timeframe of five years. CNMRs should be submitted even if no current funds or other assets are held by the Reporting Entity and includes closed accounts.



Lifting of Freezing Measures

Freezing applied as a result of TFS measures have **no time limits**. Asset freezes remain valid until one of the following occurs:

- ✓ The designated Person is **delisted (removed)** from the Sanctions Lists. Upon delisting, all TFS measures are to be lifted immediately without prior approval from EOCN or the relevant SA, unless there is an active Freeze Order related to the delisted Person issued by a Competent Authority (FIU, Public Prosecution, etc.)
- ✓ A **freezing cancellation decision** by EOCN is communicated to the Reporting Entity through goAML.

A stylized, light-colored eagle head logo is positioned in the upper right quadrant of the slide. The eagle is facing left, with its beak pointing towards the center. The background of the slide is a solid, dark olive green color. The text "Case Examples: Confirmed Name Matches" is written in a bold, white, sans-serif font, centered horizontally on the left side of the slide.

Case Examples: Confirmed Name Matches



Bank

Scenario

During the screening process, a bank identifies a full name match between a customer in its database (Person A) and a designated person on the Sanctions Lists. Person A's nationality and DOB also match with the designated person; however, the registered address is different. Person A has active current & savings accounts, a credit card, and a loan facility with the bank. In this case, Person A is considered to be a confirmed match.

Action

- **The bank must freeze without delay the current and savings accounts, credit card, and loan facility of Person A and submit a CNMR in goAML**
- The CNMR must include attachments that clarify:
 - Amount of funds frozen in each account. Include supporting documents such as account statements.
 - Amount of funds frozen in the credit card (e.g., limit on the credit card and the remaining balance).
 - Include supporting documents such as credit card statements.
 - Amount of funds frozen in the loan facility (e.g., total sum of the loan facility and the remaining balance).
 - ID documents of the confirmed match, such as ID card, travel documents, trade licenses, etc.



Exchange House

Scenario

An exchange house identifies a confirmed match (Person A) to the Sanctions Lists when screening its transactions database. Person A is attempting to make a transfer to a non-designated individual (Person B).

Action

- **The exchange house must freeze the transaction without delay and submit an CNMR in goAML.**
- The CNMR must include attachments that clarify:
 - The transaction amount frozen. Include supporting documents such as transaction receipt.
 - ID documents of the confirmed match (Person A) and the recipient (Person B), such as ID card, travel documents, trade licenses, etc.



Insurance

Scenario

An insurance company identifies a confirmed match (Person A) when screening its customer database. Person A is the beneficiary of a life insurance policy.

Action

- The insurance company must **freeze the policy**, including future premiums on receipt and any interest due to the account, and seek approval from the EOCN before making any payments under the policy.
- The insurance company must also **submit an CNMR in goAML** with details of the insurance agreement (including policyholder, beneficiary, premiums, etc.)



Securities Brokerage

Scenario

A brokerage company identifies a confirmed match (Person A) when screening its customer database. Person A owns a stock portfolio with the brokerage firm. Person A also receives dividends from the stocks owned.

Action

- The brokerage company must freeze the stock portfolio without delay and submit a CNMR in goAML.
- The CNMR must include attachments that clarify:
 - The quantity of the stocks frozen and their value. Include supporting documents such as portfolio summary.
 - ID documents of the confirmed match, such as ID card, travel documents, trade licenses, etc.
 - The brokerage company should credit any dividends due to Person A's account; however, the account must remain frozen, and the brokerage company must ensure that Person A is unable to sell his stocks or avail the dividends received.



DNFBPs - Real Estate Brokers

Scenario

A real estate broker identifies a confirmed match (Person A) when screening the parties to a property sale transaction. Person A is the prospective seller of the real estate.

Action

- **The real estate broker must block the transaction immediately, refrain from offering any services to Person A, and submit a CNMR in goAML.** The CNMR must include attachments that clarify:
 - The type, value, and location of the real estate being sold. Include supporting documents such as title deeds.
 - ID documents of the confirmed match, such as ID card, travel documents, trade licenses, etc.



DNFBPs - DPMS

Scenario

A DPMS identifies a confirmed match (Person A) when screening a prospective customer. Person A is attempting to sell high-value jewelry to the DPMS.

Action

The DPMS must immediately refrain from offering any services, including the sale or purchase of jewelry, to Person A and submit an CNMR in goAML. The CNMR must include attachments that clarify:

- Details of the attempted transaction, including the specifications and value of the jewelry attempted for sale.
- ID documents of the confirmed match, such as ID card, travel documents, trade licenses, etc.



DNFBPs - CSPs

Scenario

A CSP identifies a Confirmed Name Match (Entity A) when screening its client database. Entity A is engaging the CSP for services to act as a formation agent.

Action

- **The CSP must immediately refrain from offering any services to Person A and submit a CNMR in goAML within five business days from identifying the Confirmed Name Match.** The CNMR must include attachments that clarify:
 - Details of the attempted transaction and formation agreement.
 - ID documents of the Confirmed Name Match, such as ID card, passports, trade licenses, etc.



DNFBPs – Law Firms

Scenario

A law firm is conducting ownership transfer services for their client to complete the sale of his company and transfer the ownership to a beneficiary who resides in a high-risk jurisdiction. While conducting KYC/EDD measures, the law firm identified that the UBO of the beneficiary in residing in the high-risk jurisdiction is a Confirmed Name Match.

Action

- **The law firm must immediately refrain from providing any services in relation to the transaction and freeze any funds or other assets within their possession and report a CNMR in goAML within five business days from identifying the Confirmed Name Match.** The law firm must attach:
 - Funds or other assets frozen. These may include ownership transfer documents, sale agreements, etc.
 - ID documents of the Confirmed Name Match, such as ID card, passports, trade licenses, etc.



VASPs - Cryptocurrency Exchange

Scenario

A cryptocurrency exchange identifies a Confirmed Name Match (Person A) when screening its customer database. Person A owns multiple cryptocurrencies (Bitcoin, Ethereum, Ripple, etc.) in his exchange wallet.

Action

- **The cryptocurrency exchange must freeze the cryptocurrency assets in Person A's exchange wallet without delay and submit an CNMR in goAML within five business days from implementing the freeze measures.** The CNMR must include attachments that clarify:
 - The quantity of the cryptocurrency assets frozen and their value. Include supporting documents such as a portfolio summary.
 - ID documents of the Confirmed Name Match, such as ID card, passports, trade licenses, etc.
 - The details of any known or linked bank account of Person A, or other source of fiat funding.



Case Examples: Partial Name Matches



Example 1(A) - Existing Customer | ID Status: Available | Screening Result: Unable to Verify

Scenario

Following a designation by the UNSC, a Reporting Entity identifies a Partial Name Match between one of their existing customers and the designated Person. After reviewing the customer's ID documents, the Reporting Entity notices the customer's first and middle name, as well as the nationality matches with the designated entry; however, the DOB is slightly different (one year gap – 1965 v 1966). As a result, the reporting entity is unable to verify whether the Partial Name Match is a Confirmed Match or False Positive due to the only difference being the minor age gap.

Client – Details Available:

Full Name	Mohammad	Yaqoub	Salem
Date of Birth	1965	March	2
Nationality	Afghanistan		

Designated Person – Details Available:

TAi.052 Name: 1: MOHAMMAD YAQOUB

Name (original script): محمد يعقوب **DOB:** Approximately 1966 **Nationality:** Afghanistan



Example 1(A) - Action: Suspension Measures + Report PNMR

Action

Since the Reporting Entity is unable to verify the Partial Name Match after reviewing the ID documents, it must **suspend without delay** any transaction, **refrain** from offering any funds, other assets or services, **and report a PNMR through goAML within five business days** from implementing the suspension measures.

The Reporting Entity should attach the ID documents and details of the suspended funds or other assets, and suspension measures must remain in place until a notification is received from the EOCN on the result of the Partial Name Match (either Confirmed Name Match or False Positive).



Example 1(B) - Response from EOCN verifies Confirmed Name Match

Scenario

Assume the same facts as Example 1(A); however, the Reporting Entity has now received a response from the EOCN validating the Partial Name Match as a Confirmed Name Match.

Action

Freeze + Report CNMR

Even though the Reporting Entity has already taken suspension measures and reported a PNMR, it should now freeze the funds or other assets and refrain from providing any services to the client and report a CNMR, providing details of the frozen funds and other assets.



Example 1(C) - Response from EOCN verifies False Positive

Scenario

Assume the same facts as Example 1(A); however, the Reporting Entity has now received a response from the EOCN validating the Partial Name Match as a False Positive.

Action

Cancel Suspension Measures

The Reporting Entity should cancel the suspension measures taken and maintain internal documentation of the False Positive result. No additional reporting is required.



Example 2(A) - Potential Customer | ID Status: Unavailable | Screening Result: Unable to Verify due to lack of ID

Scenario

A Reporting Entity is onboarding a potential customer (a prospective client) – which is a company. The company’s representative provides most of the required documents to open an account (trade license, articles of association, etc.); however, he fails to provide the owner’s ID documents and mentions to the Reporting Entity that the IDs will be provided shortly. He also requests the Reporting Entity to open the account in the meantime to speed up the process.

However, while screening the names on the trade license, the Reporting Entity identifies a Partial Name Match. Specifically, one of the owner’s full name matches with the designated individual on the UN List and the nationality matches with the Place of Birth (POB); however, the reporting entity noticed there is a slight spelling difference and is unable to verify the DOB due to lack of ID documents.

The Reporting Entity conducts multiple attempts to contact the company’s representative to provide the ID documents but receives no response. More than 10 business days have passed since the request was made.

Client – Details Available:

Full Name	Muhammad	Omar	Muhammad
Date of Birth	Not Available		
Nationality	Somalia		

Designated Person – Details Available:

SOi.025 Name: 1: MOHAMED 2: OMAR 3: MOHAMED
DOB: 1976 **POB:** Somalia **Nationality:** NA



Example 2(A) - Action: Reject Business Relationship + Report PNMR

Action

Since the Reporting Entity was unable to discount the Partial Name Match as a “False Positive” from the information available and the company’s representative did not respond to the request to provide ID documents within a reasonable period (10 business days), the Reporting Entity should **refrain from providing any services to the company and reject the account opening request**, and **report a PNMR via goAML within five business days from the transaction rejection date**, informing the EOCN of the rejected transaction.



Example 2(B) - Potential Customer | ID Status: Available (provided after 10 business days) | Screening Result: False Positive

Scenario

Assume the same facts as Example 2(A); however, the company representative has provided the ID documents after 10 business days from the initial request. The ID shows that the potential customer's DOB is 1990 and POB is Kenya, which is different to the DOB (1976) and POB (Somalia) identifiers in the UN List. As such, the Reporting Entity concludes the result as a False Positive.

Action

Proceed with Business Relation + No Reporting Required

The reporting entity may proceed with the business relationship and re-establish the account opening procedures without seeking written approval from EOCN. No reporting is required.



Example 2(C) - Potential Customer | ID Status: Available (provided after 10 business days) | Review Status: Unable to Verify

Scenario

Assume the same facts as Example 2(B); however, in this case, the ID document shows an identical POB (Somalia), but a slightly different DOB (1977) – a one-year age gap when compared with the identifiers in the UN List. As such, the Reporting Entity is still unable to verify the Partial Name Match even after the ID documents have been provided.

Action

Suspension Measures + Report PNMR

Since the Reporting Entity is unable to verify the Partial Name Match after reviewing the ID documents, it should suspend the account opening request and submit a PNMR through goAML within five business days from implementing the suspension measures. The Reporting Entity should attach the ID documents and details of the suspended account opening request, and suspension measures must remain in place until a notification is received from the EOCN on the result of the Partial Name Match (either Confirmed Name Match or False Positive).



Example 2(D) - Potential Customer | ID Status: Available (provided after 10 business days) | Review Status: Unable to Verify + Response from EOCN verifies Confirmed Name Match

Scenario

Assume the same facts as Examples 2(C); however, in this case, the Reporting Entity has now received a response from the EOCN validating the Partial Name Match as a Confirmed Name Match.

Action

Reject + Report CNMR

Even though the Reporting Entity has already taken suspension measures and reported a PNMR, it should now reject the account opening request and refrain from providing any services to the client and report a CNMR. The Reporting Entity should also freeze any other funds or other assets belonging to the Confirmed Name Match.



Reporting TFS by Email

- For non goAML users, the reporting of any freezing measures or attempted transaction by a designated individual, entity, or group must be communicated directly by email to the EOCN through tfs@eocn.gov.ae within five business days from implementing any freezing measures.
- The email must include information on the full name of the Confirmed or Partial Name Match, and the value of frozen funds or other assets (attaching ID and documentary proof as listed above).

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**Section 5: Ownership, Control, and Acting on
behalf of a Designated Person**

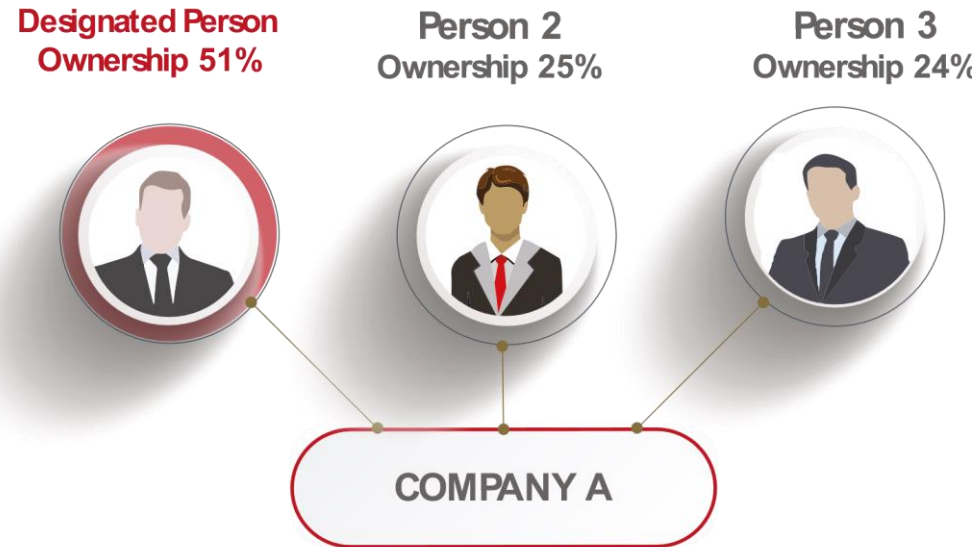


Majority Interest (Ownership)

- In implementing TFS, the criterion to be taken into account when assessing whether a legal entity is majority owned by a designated individual or entity is the possession of more than 50% of the proprietary rights of the legal entity or having a controlling interest in it. **If this criterion is satisfied, it is considered that the legal entity or arrangement is owned by another individual or entity and is subject to freezing measures.**



Majority Interest (Ownership) - Example



Action

- The funds or other assets of non-designated Company A must be frozen without delay since the Designated Person owns more than 50% of non-designated Company A.
- Other than the assets of Company A, the funds or other assets of the two non-designated owners (Person 2 and 3) must not be frozen since they are not designated and there is no legal evidence to suggest that they are acting on behalf of the Designated Person.

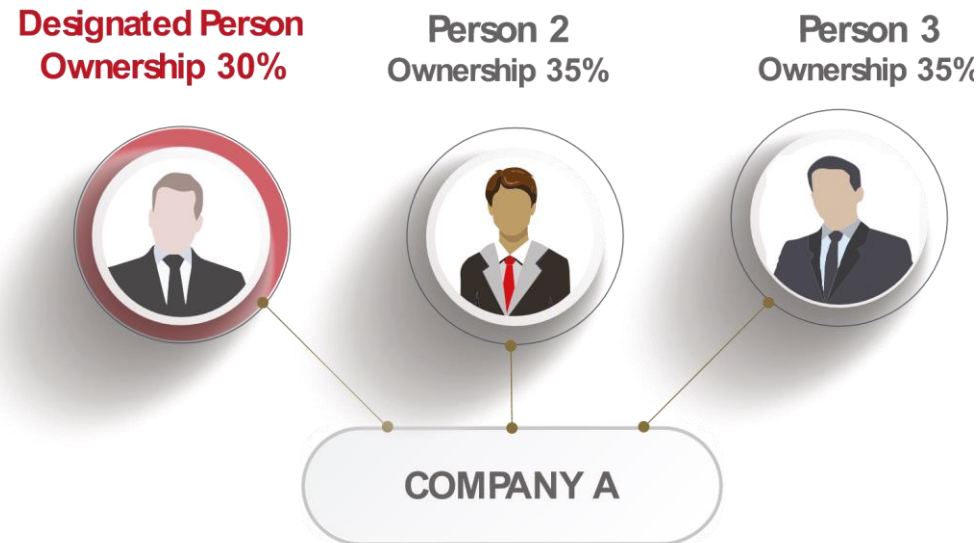


Minority Interest (Ownership)

- A designated person holding **50% or less** of the proprietary rights of a legal entity is considered to be holding a minority interest in the legal entity. **In that case, the legal entity is not subject to freezing measures.**
- However, FIs, DNFBPs, and VASPs must remain attentive to any changes in the ownership structure of the legal entity whereby the designated person's stake increases to greater than 50% or if they obtain a controlling interest.
- FIs, DNFBPs, and VASPs must also ensure that funds or other assets (e.g. profits, proceeds from sale of assets, etc.) due to the designated person are subject to freezing measures and are not made available under any circumstances.



Minority Interest (Ownership) - Example



Action

- The funds or other assets of non-designated Company A must not be frozen since the Designated Person owns less than 50% of non-designated Company A and does not hold a majority interest.
- Any funds or other assets due to the Designated Person as a result of owning 30% of Company A must be subject to freezing measures.
- The funds or other assets of the two other owners (Person 2 and 3) must not be frozen since they are not designated and there is no legal evidence to suggest that they are acting on behalf of the Designated Person.
- However, extreme vigilance is required to monitor any changes in the ownership structure in which Person A's stake in Company A increases to above 50% or if he obtains a majority interest.

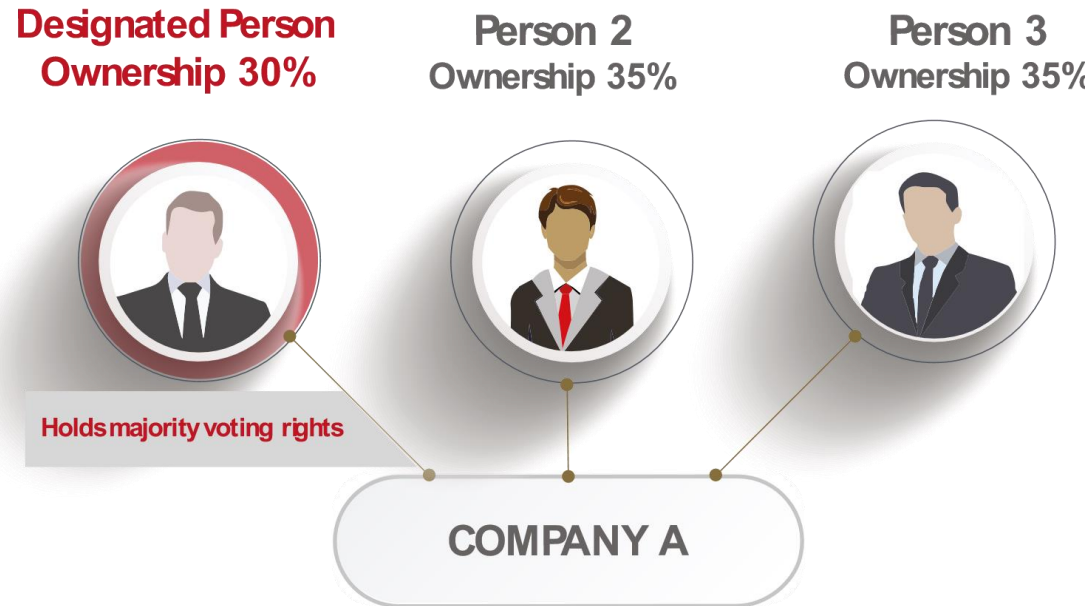


Control

- FIs, DNFBPs, and VASPs should apply freezing measures in cases in which a designated person holds a minority interest, **if there is evidence that the designated person exerts control over the legal entity (despite owning a minority interest).**
- The criteria to be taken into account when assessing whether a legal entity is mainly controlled by another person or entity, alone or pursuant to an agreement with another shareholder or other third party, could be any of the following:
 - a) Having the right to appoint or remove a majority of the members of the administrative or management body.
 - b) Controlling the majority voting rights in a legal entity pursuant to an agreement with shareholders.
 - c) Having a power of attorney or authorized signatory arrangement over a legal entity.
 - d) Having the right to exercise a dominant influence over a legal person pursuant to an article in the Memorandum or Articles of Association



Control - Example



Action

- Despite the Designated Person holding a minority interest, the funds or other assets of Company A must be frozen without delay since the signed agreement between the Designated Person and the other owners proves that the Designated Person exerts control over Company A by holding majority of the voting rights.

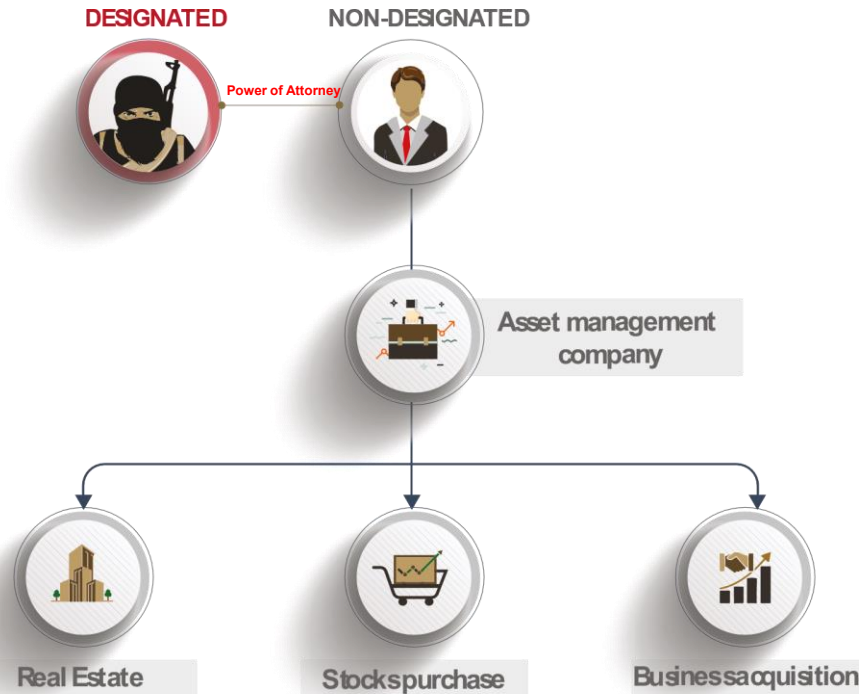


Acting on Behalf or at the Direction of

- FIs, DNFBPs, and VASPs are required to implement TFS on individuals or entities acting on behalf or at the direction of designated persons.
- The relationship to act on behalf or at the direction of designated persons **must be evidenced by legal documentation, such as a power of attorney or authorized signatory.**



Acting on Behalf or at the Direction of - Example



Action

- The funds and other assets of the Non-Designated Person must be frozen without delay since the power of attorney is evidence that the Non-Designated Person is acting on behalf or at the direction of the Designated Person.

Section 6: Enforcement Measures





Consequences for Reporting Entities

- Any Person, found to violate and/or be in non-compliance with the obligations stated in Cabinet Decision No. 74 of 2020 or failing to implement reasonable procedures to ensure compliance may face **imprisonment of no less than one year and no more than seven years** and/or a **fine of no less than AED 50,000 (fifty thousand dirham) and no more than AED 5,000,000 (five million dirham)**.
- Reporting Entities are subject to supervision, and in the case of identified non-compliance, Supervisory Authorities can apply the enforcement actions set out under Article (14) of Federal Decree No. 26 of 2021 Amending Certain Provisions of Law No. 20 for 2018 on Anti-Money Laundering and Countering the Financing of Terrorism. These can range from warning letters to license termination.

Any Person who, **in good faith**, freezes funds or other assets, or refuses to provide financial services to designated individuals, entities, or groups in compliance with the provisions of Cabinet Decision No. 74 of 2020 shall be exempt from any damages or claims, resulting from such actions, including penal, civil, and/or administrative liability.

A stylized eagle head is positioned in the upper right quadrant, facing left. Below and to the right of the eagle's head is a sunburst or fan-like graphic composed of several triangular rays radiating from a central point. The entire background is a solid, muted gold color.

Section 7: Obligations Regarding Unilateral / Multilateral Sanctions Regimes and Sanctions Evasion



Obligations Regarding Unilateral / Multilateral Sanctions Regimes and Sanctions Evasion

- Reporting Entities should be able to differentiate between cases that require submitting a **CNMR/PNMR**, and between suspicious transactions and activities that require submitting a **STR/SAR**.
- Any suspicious transactions or activities that might be related to sanctions evasion, and which do not include Confirmed or Partial Name Matches to the Sanctions Lists, should be reported to the FIU by raising a STR/SAR through the goAML platform.

Note: DO NOT use CNMR/PNMR to report matches on unilateral/multilateral sanctions lists or other criminal lists (OFAC, EU, Interpol, etc.). You may consider reporting STR/SAR in such cases.



Confirmed/Partial Name Match Reports VS. Suspicious Transaction/Activity Reports

Confirmed and Partial Name Match Reports

Confirmed match to a Designated Person (UN and Local Lists).

Partial match to a Designated Person (UN and Local Lists).

Established legal relationship to a Designated Person, thereby proving control criteria or acting on behalf of (e.g. POA, voting rights, etc.).

Submit CNMR or PNMR to EOCN



Suspicious Transaction / Activity Report

Identified red flags or reasons to report.

Includes confirmed or partial name matches to other unilateral/multilateral sanctions lists or criminal lists.

Does not involve any established legal relationship to a Designated Person or Party; however, there is a suspicious link.

Submit STR/SAR to FIU





Case Examples

Example 1: UN Panel of Experts Report

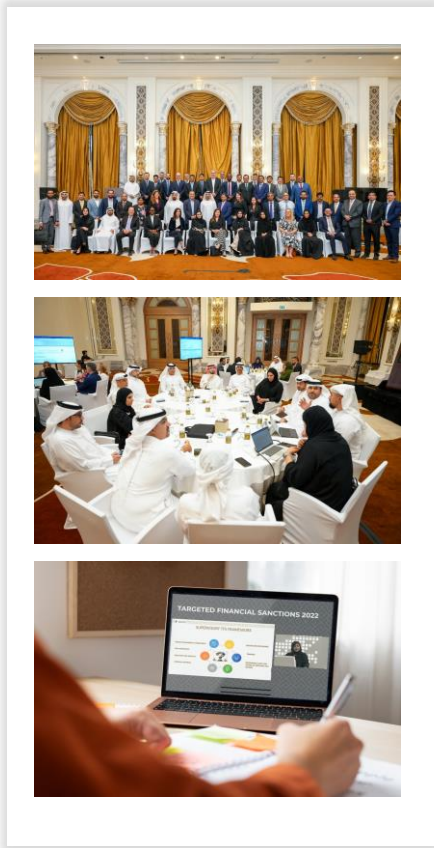
After conducting screening, you have identified that a customer (Person A) is mentioned in a UN Panel of Experts Report. However, Person A is not listed in neither the UNSC Consolidated List nor the UAE Local Terrorist List. **In this case, you are not required to implement the TFS requirements since Person A is not listed locally or by the UNSC; however, the fact that Person A is mentioned in a UN Panel of Experts Report may be a cause for suspicion (sanctions evasion) and you should consider raising a STR/SAR to the FIU.**

Example 2: Unilateral or Other Sanction Regimes

After conducting screening, you have identified that a customer (Person A) is listed on another country's sanctions list (unilateral sanctions). However, Person A is not listed in neither the UAE Local Terrorist List nor UNSC Consolidated List. **In this case, you are not required to implement the TFS requirements since Person A is not listed locally or by the UNSC; however, you should consult with your relevant SA on the appropriate course of action and may consider submitting a STR/SAR to the FIU.**



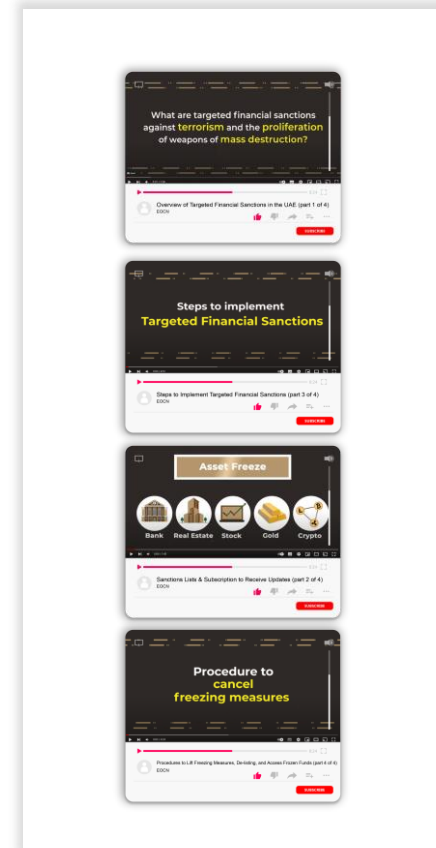
Engagement Channels



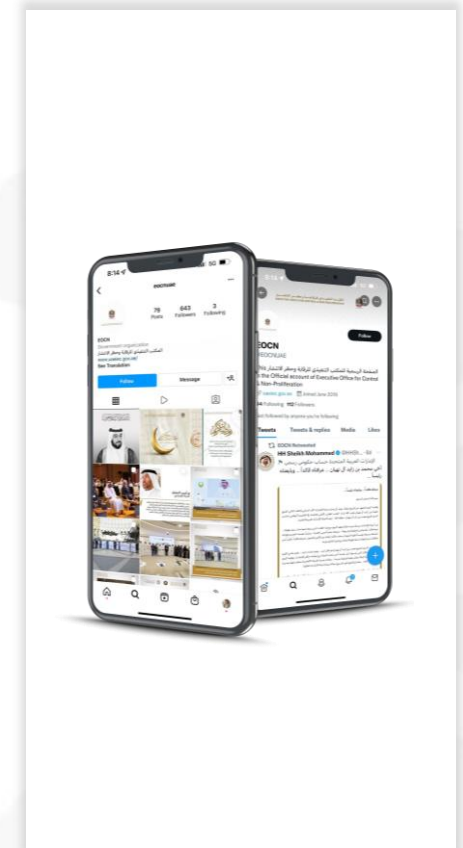
Outreach



Publications & Guidelines



Awareness Videos



Social Media

المكتب التنفيذي
للمراقبة وحظر الانتشار
EXECUTIVE OFFICE FOR
CONTROL & NON-PROLIFERATION



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