OPTIMA

CLIENT ALERT · UAE FINANCIAL SERVICES

Monthly Regulatory Update

SEPTEMBER 2026

9	2	2	4
DEVELOPMENTS	NEED ACTION	ENFORCEMENT	AUTHORITIES

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COVERAGE AND METHODOLOGY

About this update

This update covers material public regulatory developments published, taking effect, or reaching a response deadline in September 2026, across the DFSA, FSRA/ADGM, CBUAE and the UAE federal authorities. Items first published earlier are included where their deadline or commencement fell within the period, and this is stated. Every item is sourced to the issuing authority's own publication. Market announcements, individual firm licensing news and promotional material are excluded. Applicability should be assessed by reference to the firm's permissions, activities, client base and regulatory status.

Items are ordered by relevance to buy-side firms, meaning asset and fund managers and those servicing them, while still covering the UAE market generally. Public alerts are included as risk alerts supporting recommended operational checks; they are not regulatory requirements. No qualifying CMA rule, consultation or enforcement publication was identified for September 2026.

HOW TO READ THIS UPDATE

- Markers — a filled marker means the jurisdiction or category is in scope on the substance of the publication; hollow means it is not indicated.
- Final / in force — the rules apply now.
- Consultation closed / final rules pending — the response window has passed; nothing is in force until final rules are made.
- Other labels — public alert, supervisory context only, supervisory expectations, and regulatory cooperation / no new obligation.

FILINGS DUE

- 31 October 2026 — Q3 prudential returns, DFSA and FSRA authorised firms.
- 6 November 2026 — ADGM Local Substance Thematic Review Survey response.

OTHER KEY DATES

- 31 March 2027 — ADGM transition ends for Venture Capital Fund Managers and Foreign Fund Managers.
- Immediate — DFSA impersonation and FSRA E-Community alerts; screen client, counterparty and introducer records.
- Awaited — DFSA CP 173 final rules, then a three-month implementation period; FSRA transfer scheme amendments.

TRIAGE VIEW

Applicability dashboard

Update	Regulator	Jurisdiction	Audience	Applicability	Action	Deadline	Suggested owner
1 DFSA CP 173: funds overhaul closed	DFSA	DIFC	Cat 3C managers; External Fund Managers; administrators	Directly applicable	Assess	Closed 7 Sep; rules awaited	Fund Manager; Compliance; Legal
2 DFSA enforcement: unauthorised services in DIFC	DFSA	DIFC (ADGM read-across)	Firms operating across centres; shared premises	Read-across; perimeter risk	Assess	Decision Notice 21 Sep 2026	Compliance Officer; Legal; senior mgmt
3 DFSA impersonation alerts: seven in September	DFSA	DIFC (wider relevance)	All firms; compliance, onboarding, HR	Risk alert, no new obligation	Checks Advised	None	MLRO; Compliance Officer; HR
4 FSRA finalises ADGM funds framework	FSRA	ADGM	ADGM fund managers; institutional-only managers; VCFMs; FFMs	Directly applicable	Action required	In force; transition 31 Mar 2027	Fund Manager; Compliance; Legal
5 FSRA CP 2/2026: transfer schemes closed	FSRA	ADGM	Authorised Persons transferring business	Potentially applicable	Assess	Closed 21 Sep; rules awaited	Legal / M&A; Compliance Officer
6 FSRA alert: E-Community	FSRA	ADGM (wider relevance)	Onboarding, KYC and counterparty teams	Risk alert, no new obligation	Checks Advised	None	MLRO; onboarding lead
7 CBUAE regulations in force; CB Law transition closed	CBUAE	Onshore UAE	LFIs; banks with SME customers; onshore affiliates	Directly applicable (LFIs); DIFC/ADGM excluded	Action required	In force 13 to 16 Sep 2026	Risk Officer; Compliance; Legal
8 CBUAE: Bank Melli Iran transaction ban	CBUAE	Onshore UAE	LFIs; correspondent and trade finance exposure	Binds named branches; others check exposure	Assess	In force 23 Sep 2026	MLRO; sanctions officer; correspondent
9 UAE third National Risk Assessment launched	National Committee	UAE-wide	MLROs and financial crime functions	Context; no firm-level obligation	Monitor	Findings awaited	MLRO; financial crime

FORWARD LOOK: WHAT TO WATCH

Development	What to watch in October / Q4 2026	Who it may apply to
DFSA CP 174: outcome published since period end	The DFSA issued its Feedback Statement on CP 174 and made targeted amendments to credit rating agency and prudential reporting requirements on 5 October 2026, with a Notice of Amendments to Legislation on 1 October. Read the final instruments rather than the consultation drafts.	DIFC firms with Crypto Token or Investment Token permissions; Credit Rating Agencies; firms filing affected prudential returns.
DFSA CP 173: funds framework	Final rules awaited following closure on 7 September, then a proposed three-month implementation period. Abolition of the External Fund Manager regime is the proposal with the clearest structural consequence.	DIFC fund managers, External Fund Managers above all, administrators, trustees, custodians and sponsors.
DFSA enforcement	The DFSA fined Vault Wealth Limited USD 109,200 on 1 October 2026 for carrying on unauthorised financial services in the DIFC, a reminder that perimeter breaches are being pursued.	Firms operating close to the authorisation perimeter, and those relying on exclusions.
ADGM funds framework: transition	The New Rules are in force. Venture Capital Fund Managers and Foreign Fund Managers have until 31 March 2027, and the FSRA says it will make contact about transition arrangements.	ADGM Fund Managers, VCFMs, FFMs and asset managers taking delegated institutional mandates.
FSRA DeFi risk management guidance	The FSRA invited industry feedback on proposed DeFi risk management guidance on 7 October 2026. Check the closing date on the ADGM consultations page if the firm has digital asset exposure.	ADGM firms with virtual asset or DeFi activity; risk and compliance functions.
ADGM Registration Authority priorities	The Registration Authority published its regulatory priorities for 2026 to 2027 on 1 October 2026, which signals where registry-side supervisory attention will fall.	All ADGM registered entities; company secretarial and compliance teams.
FSRA transfer schemes	Final amendments awaited following closure on 21 September. The proposed Modified Transfer Scheme would remove court sanction for certain non-insurance transfers.	ADGM Authorised Persons contemplating a transfer; insurers; legal, M&A and restructuring teams.

EVENTS

Upcoming Events

Confirmed industry events that may be of interest. Industry events are hosted by the financial centres themselves and are relevant to firms operating in, or considering, the DIFC and ADGM.

When and where?	Event
Industry Event - 2 to 3 November 2026 Madinat Jumeirah, Dubai	Dubai FinTech Summit, organised by DIFC Now in its fourth edition, convening senior figures from finance, policy and technology, including DFSA representatives. Closed-door policy and C-suite sessions sit alongside the main programme. Relevant to: Fintech, digital assets, innovation, strategy and compliance functions.
Industry Event - 7 to 10 December 2026 Al Maryah Island, Abu Dhabi	Abu Dhabi Finance Week 2026, hosted by ADGM ADGM's flagship convention, expanding to 75 events across eight stages this year, with new platforms covering hedge funds, private markets, tokenisation and infrastructure. Relevant to: Asset and fund managers, private markets, treasury and those weighing an ADGM presence.

THE DETAIL

Developments in September 2026

01 DFSA consultation on the Collective Investment Funds overhaul closed, including the proposed abolition of the External Fund Manager regime

REGULATOR / DATE	Dubai Financial Services Authority (DFSA). CP 173 published 7 July 2026; responses closed 7 September 2026.
STATUS / DEADLINE	Consultation closed / final rules pending. Responses closed 7 September 2026. Final rules awaited, with a proposed three-month implementation period once made.

JURISDICTION	● DFSA / DIFC ○ FSRA / ADGM ○ UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	○ Cat 1 ○ Cat 2 ○ Cat 3A ● Cat 3B ● Cat 3C ● Cat 4 ○ Cat 5 *Category 3C (managing a fund, acting as trustee) is the core population; Category 3B and Category 4 are marked where the amended custody and administration modules apply.*
OTHER FIRM TYPES	Domestic, External and Foreign Fund Managers; administrators, trustees, custodians; sponsors and advisers.

WHAT HAS CHANGED

CP 173 proposes amendments to the Collective Investment Law No. 2 of 2010, the Investment Trust Law No. 5 of 2006, the Regulatory Law 2004 and seven Rulebook modules. The regime was last reviewed comprehensively in 2010.

The DFSA proposes to abolish the External Fund Manager regime and to move away from fixed specialist fund classifications for Exempt Funds and Qualified Investor Funds. It has said it will discuss continued management of existing funds with current External Fund Managers.

Other proposals confirm that an authorisation to Manage Assets covers Dealing in Investments as Agent and Arranging Deals in Investments where necessary for discretionary management under delegation and broaden employee investment in employer-managed funds.

IMPLICATIONS

Removal of the External Fund Manager regime would withdraw the only basis on which a manager outside the DIFC may operate a DIFC Domestic Fund without DFSA authorisation. Managers relying on the route would require either a DFSA-authorised entity in the DIFC or redomiciliation of the fund.

A three-month implementation period is proposed. An authorisation application, the associated substance requirements and investor communications would each fall within that period. The remaining proposals reduce the permission burden on managers already authorised in the DIFC.

WHO IS AFFECTED

External Fund Managers are most directly affected. Administrators, trustees and custodians fall within scope only where the seven amended modules apply. Sponsors and prospective DIFC managers are affected to the extent their structuring options change.

SUGGESTED ACTIONS

- Identify any fund relying on the External Fund Manager regime and cost the alternative: authorisation, substance and timeline.

- External Fund Managers should engage the DFSA, which has undertaken to discuss continued management of existing funds.
- Map which funds rely on a specialist class designation, and test whether the Manage Assets clarification permits a currently held permission to be surrendered.

SOURCE: DFSA, CP 173 notice · DFSA media release

02 DFSA fines an ADGM-licensed wealth manager for providing financial services from the DIFC without authorisation

REGULATOR / DATE	Dubai Financial Services Authority (DFSA). Decision Notice dated 21 September 2026. The DFSA media release was issued on 1 October 2026.
STATUS / DEADLINE	Enforcement: Decision Notice. None. The fine has been imposed and the matter settled.

JURISDICTION	● DFSA / DIFC ● FSRA / ADGM ○ UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	*No category test. Relevant to any firm authorised in one UAE centre whose personnel meet clients, or carry on activity, in another.*
OTHER FIRM TYPES	ADGM and onshore firms with staff, offices or client meetings in the DIFC; groups where regulated and unregulated entities share premises; senior management and compliance responsible for perimeter decisions.

WHAT HAS CHANGED

The DFSA issued a Decision Notice imposing a fine of USD 109,200 (AED 401,000) on Vault Wealth Limited, reduced by 30% from USD 156,000 following settlement. Vault Wealth is incorporated in ADGM and licensed by the FSRA; it has never been authorised by the DFSA.

Between February and May 2024, Vault Wealth personnel worked from the offices of Vault Technology Limited, a related DIFC entity which is not DFSA regulated. Prospective clients were met there, advised and onboarded to an investment platform.

The DFSA found a breach of the Financial Services Prohibition in Article 41(1) of the Regulatory Law 2004, through Advising on Financial Products and Arranging Deals in Investments.

IMPLICATIONS

Personnel of an ADGM-licensed firm carried on Advising on Financial Products and Arranging Deals in Investments from the premises of a related DIFC entity over a three-month period. No separate entity was established in the DIFC and no deliberate evasion was alleged.

The DFSA treated the absence of visible separation between the two entities as an aggravating factor, on the basis that clients could have understood Vault Wealth to be DFSA authorised. Senior management's knowledge that authorisation was required was treated as a second aggravating factor. Authorisation is determined by the activity performed and the jurisdiction in which it is performed; licensing held elsewhere in a group confers no permission in the DIFC.

WHO IS AFFECTED

ADGM and onshore firms whose personnel carry on activity in the DIFC, and groups sharing premises between authorised and unregulated entities. The same analysis applies in reverse to DIFC firms operating into ADGM.

SUGGESTED ACTIONS

- Map where client-facing staff physically meet clients, and confirm which entity's authorisation covers that activity in that location.
- Where group entities share an office, check that signage, reception and client materials identify the entity the client is dealing with and what it may do.
- Confirm no regulated activity begins before an authorisation application is determined, and record the basis for any judgement call.

SOURCE: DFSA, The DFSA fines Vault Wealth Limited USD 109,200 for carrying on unauthorised financial services in DIFC

03 DFSA issues seven impersonation alerts during September, including two naming authorised firms

REGULATOR / DATE	Dubai Financial Services Authority (DFSA). Seven alerts published between 8 and 29 September 2026.
STATUS / DEADLINE	Public alert. A risk alert supporting recommended operational checks, not a regulatory requirement. No deadline and no obligation. Recommended operational checks for compliance, onboarding and HR.

JURISDICTION	● DFSA / DIFC ○ FSRA / ADGM ○ UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	*No category test and no new obligation. Relevant to any firm whose name, or whose regulator's name, could be used to lend credibility to a third party, and to any firm conducting client or counterparty due diligence.*
OTHER FIRM TYPES	DIFC Authorised Firms, particularly those with a retail-facing brand; compliance and financial crime functions; HR and recruitment teams. Practical owners: MLRO, Compliance Officer, Head of HR.

WHAT HAS CHANGED

The DFSA published seven alerts in September, each categorised as Regulator or Authority Impersonation. One alert was published in August and one in July.

Two alerts named impersonated DFSA Authorised Firms: XTB MENA Limited on 25 September and GWP Management Limited on 23 September. A third, also on 25 September, concerned false claims by an entity named Fin that it is DFSA regulated.

The remaining four concerned impersonation of the DFSA itself: a blockchain settlement scam on 8 September, an advance fee scam on 21 September, fraudulent recruitment communications on 24 September, and a DIFC firm impersonated in an employment scam on 29 September.

IMPLICATIONS

Seven alerts were issued in September, compared with one in each of the two preceding months. All were categorised by the DFSA as Regulator or Authority Impersonation. The alerts impose no obligation on firms.

Where an authorised firm is named, the DFSA publication may reach clients before the firm does, which engages client communications alongside financial crime controls. Two alerts concerned recruitment and employment approaches directed at human resources, which fall outside monitoring arrangements held solely by the MLRO.

WHO IS AFFECTED

Firms whose authorised status or brand may be asserted by a third party, and firms accepting claimed DFSA authorisation at onboarding. DIFC firms with a retail-facing brand carry the greatest exposure.

SUGGESTED ACTIONS

- Screen client, counterparty and introducer records against the named entities and escalate matches.
- Verify claimed DFSA authorisation on the DFSA Public Register as a standing onboarding step.
- Brief human resources and recruitment functions on the employment and recruitment approaches described.

SOURCE: DFSA Alerts: archive of all seven · DFSA Alert: XTB MENA Limited (25 September 2026)

04 FSRA finalises its ADGM funds framework, creating new streamlined manager categories and opening up employee investment

REGULATOR / DATE	Financial Services Regulatory Authority (FSRA), ADGM. Published 16 September 2026.
STATUS / DEADLINS	Final / in force. A transition period runs to 31 March 2027 for Venture Capital Fund Managers and Foreign Fund Managers.

JURISDICTION	○ DFSA / DIFC ● FSRA / ADGM ○ UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	○ Cat 1 ○ Cat 2 ○ Cat 3A ○ Cat 3B ● Cat 3C ● Cat 4 ○ Cat 5 *Category 3C fund managers are the core population, with Category 4 relevant where fund administration or advisory arrangements are affected. Confirm against your own licence.*
OTHER FIRM TYPES	ADGM Fund Managers of smaller and institutional-only funds; delegated asset managers; VCFMs; Foreign Fund Managers; fund administrators and advisers.

WHAT HAS CHANGED

The FSRA published final enhancements to its framework for Funds and Fund Managers, closing Consultation Paper No. 12 of 2025. The New Rules introduce streamlined frameworks for managers of smaller funds and of institutional-only funds, and for asset managers providing investment management services to such funds.

Three status categories are created: Sub Threshold Fund Manager, Institutional Fund Manager, and Institutional Fund Asset Manager for delegated asset managers. Existing Authorised Persons seeking a change of status must apply using the FSRA declaration forms.

The amendments also facilitate employee investment in employer-managed private funds and revise the framework for Foreign Fund Managers.

IMPLICATIONS

The new categories reduce the prudential and compliance requirements applying to managers of smaller funds and of funds restricted to institutional investors. They operate on application: an existing Authorised Person remains in its current category unless a declaration form is submitted.

Employee investment in employer-managed private funds is permitted directly and through dedicated vehicles, and carried interest and co-investment structures established under the previous restriction may be capable of simplification. Foreign Fund Managers and Venture Capital Fund Managers are subject to revised frameworks, with transition ending 31 March 2027.

WHO IS AFFECTED

ADGM Fund Managers below the relevant thresholds or managing institutional-only funds, and asset managers holding delegated mandates from them. Managers above the thresholds, and DIFC and onshore managers, are outside scope.

SUGGESTED ACTIONS

- Run the threshold test against projected as well as current assets under management.
- If eligible, submit the relevant FSRA declaration form. Delegated asset managers should assess Institutional Fund Asset Manager status on its own form.
- Venture Capital Fund Managers and Foreign Fund Managers should prepare a transition position ahead of FSRA contact. Review employee co-investment and carried interest arrangements established under the previous restriction.

SOURCE: ADGM FSRA, FSRA Finalises Enhancements to its Funds Framework (16 September 2026) · FSRA Rules (Funds) · Supplementary Guidance

05 FSRA consultation on transfers of business closed, proposing a Modified Transfer Scheme route without court sanction

REGULATOR / DATE	Financial Services Regulatory Authority (FSRA), ADGM. CP No. 2 of 2026 published 27 July 2026; responses closed 21 September 2026.
STATUS / DEADLINE	Consultation closed / final rules pending. Responses closed 21 September 2026. The FSRA will consider modifications before enacting the amendments.

JURISDICTION	○ DFSA / DIFC ● FSRA / ADGM ○ UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	*All categories, where the Authorised Person is contemplating a transfer of business. Whether the business being transferred is insurance business determines which route applies.*
OTHER FIRM TYPES	ADGM Authorised Persons transferring a book of business; insurers and firms writing insurance business; acquirers and divestors, and legal, M&A and restructuring teams.

WHAT HAS CHANGED

The consultation closed on 21 September 2026. It proposes a new Chapter 8A of GEN, narrowing the circumstances in which a Transfer Scheme under Part 7 of the Financial Services and Markets Regulations 2015 requires mandatory court sanction.

The central proposal is a new Modified Transfer Scheme regime permitting certain transfers to proceed without court sanction, on regulatory notification and consent instead. Insurance business transfers would continue to require court sanctioning.

IMPLICATIONS

Court sanction currently determines the cost and duration of a Transfer Scheme under Part 7 of FSMR. Substituting regulatory notification and consent for non-insurance transfers would reduce execution time and bring smaller portfolio transfers within commercial viability.

Notification and consent arise earlier in a transaction than an application to court. Transaction timetables that currently run regulatory engagement in parallel with documentation would require revision.

WHO IS AFFECTED

ADGM Authorised Persons contemplating a disposal, acquisition or internal reorganisation involving a book of business, and the legal and corporate teams advising on those transactions. Insurers and firms writing insurance business remain subject to court sanction.

SUGGESTED ACTIONS

- No immediate action. Nothing is in force; transactions in progress should continue on the current process.
- Insurers and insurance intermediaries: court sanction under Part 7 of FSMR is retained.

SOURCE: ADGM FSRA, FSRA Publishes Proposed Regulatory Framework for Transfer Schemes · ADGM Public Consultations

06 FSRA alerts the public to a suspected fraudulent scheme by E-Community

REGULATOR / DATE	Financial Services Regulatory Authority (FSRA), ADGM. Published 30 September 2026.
STATUS / DEADLINE	Public alert. A risk alert supporting recommended operational checks, not a regulatory requirement. No deadline and no obligation. A recommended check for onboarding and counterparty due diligence.

JURISDICTION	○ DFSA / DIFC ● FSRA / ADGM ○ UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	*No category test and no new obligation. Relevant to any firm conducting client, counterparty or introducer due diligence.*
OTHER FIRM TYPES	Onboarding, KYC and counterparty due diligence teams; compliance and financial crime functions. Practical owners: MLRO, onboarding lead.

WHAT HAS CHANGED

The FSRA issued a public alert concerning a suspected fraudulent scheme operated by an entity referred to as E-Community. It follows the ADGM alert concerning Vibrafund FZLLC in August and a series of similar alerts through 2026.

WHY IT MATTERS

The alert concerns an entity asserting an ADGM connection it does not hold, and follows comparable alerts issued through 2026, including the Vibrafund FZLLC alert in August. Due diligence procedures that accept asserted ADGM status on documentary evidence alone will not identify entities of this type.

WHO IS AFFECTED

Firms whose clients, counterparties or introducers assert ADGM status, in any jurisdiction. Responsibility sits with onboarding and financial crime functions.

SUGGESTED ACTIONS

- Screen client, counterparty and introducer records against the named entity and escalate any match.
- Where exposure exists, consider whether an internal report or a suspicious activity report is warranted.
- Make register verification a standing onboarding control wherever ADGM status is asserted.

SOURCE: ADGM FSRA, FSRA Alerts Public to Suspected Fraudulent Scheme by E-Community (30 September 2026)

07 Four CBUAE regulations took effect and the transitional period under the new Central Bank Law closed

REGULATOR / DATE	Central Bank of the UAE (CBUAE). In force 13, 14 and 16 September 2026.
STATUS / DEADLINE	Final / in force. All dates have passed. Onshore entities newly within the CBUAE perimeter should already have regularised their position.
JURISDICTION	○ DFSA / DIFC ○ FSRA / ADGM ● UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	*CBUAE licence types apply. Institutions regulated in the DIFC and ADGM are excluded from the general scope of the Central Bank Law; an onshore group affiliate requires a separate assessment of its own position.*
OTHER FIRM TYPES	Banks, finance companies, insurers and reinsurers, takaful operators, and onshore technology or platform providers. Practical owners: Risk Officer, Compliance Officer, Legal.

WHAT HAS CHANGED

The Operational Risk Management Regulation (Circular No. 1/2026) took effect on 14 September 2026, replacing the 2018 Regulation and Standards. It applies to Licensed Financial Institutions constituted as juridical persons, including branches and subsidiaries of foreign institutions, and requires notification to the CBUAE within four hours where Critical Operations are significantly affected.

The SME Customer Protection Regulation (C 2/2026) came into force on 13 September 2026, establishing a conduct framework for banks and finance companies serving SME customers. A Regulation Regarding Takaful Insurance took effect on 14 September.

The one-year transitional period under Federal Decree-Law No. 6 of 2025 ended on 16 September 2026. Institutions regulated in the DIFC and ADGM are excluded from the general scope of that law.

IMPLICATIONS

Institutions are required to identify and document Critical Operations before the notification threshold can be applied, and to demonstrate that escalation reaches the CBUAE within four hours once it is engaged.

The transitional period under Federal Decree-Law No. 6 of 2025 closed on 16 September 2026. The perimeter extends to open finance, payment services using virtual assets and technology providers facilitating financial services, with fines of up to AED 1 billion. Onshore group entities providing technology or platform services may now require authorisation.

WHO IS AFFECTED

CBUAE Licensed Financial Institutions, with the SME Regulation confined to banks and finance companies serving SME customers. Institutions regulated in the DIFC and ADGM fall outside the general scope of the Central Bank Law; onshore group entities require separate assessment.

SUGGESTED ACTIONS

- Define and document Critical Operations, then run the escalation path end to end against the four-hour clock.
- Make the incident procedure distinguish ordinary incidents from those engaging the Critical Operations trigger, so the obligation applies where it belongs.
- Banks and finance companies with SME customers should test conduct and complaints handling against the SME Regulation. Groups with onshore affiliates should assess each against the widened perimeter.

SOURCE: Operational Risk Management Regulation (Circular 1/2026) · SME Customer Protection Regulation (C 2/2026) · Federal Decree-Law No. 6 of 2025, Article 184

08 CBUAE bars Bank Melli Iran's UAE branches from transactions with Iran

REGULATOR / DATE	Central Bank of the UAE (CBUAE). Press release dated 23 September 2026.
STATUS / DEADLINE	Enforcement: supervisory measure. The prohibition applies now. No deadline for other firms, but counterparty exposure should be reviewed.
JURISDICTION	○ DFSA / DIFC ○ FSRA / ADGM ● UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	*Not applicable. CBUAE licence types govern the measure itself. The counterparty review is relevant to any firm with correspondent, trade finance or payment exposure touching the named branches, in any UAE jurisdiction.*
OTHER FIRM TYPES	CBUAE Licensed Financial Institutions; firms with correspondent, trade finance or payment relationships touching the named branches. Practical owners: MLRO, sanctions officer, correspondent banking and trade finance.

WHAT HAS CHANGED

The CBUAE imposed enforcement measures on the UAE branches of Bank Melli Iran under Article 168-1-C of Federal Decree-Law No. 6 of 2025, prohibiting those branches from conducting any financial transactions to and from Iran, including trade finance and fund transfers. The measure is a targeted activity restriction rather than a financial penalty.

The CBUAE said the measures followed regulatory examinations that identified violations of regulations, laws and supervisory decisions in force in the UAE, including obligations under the legislation on combating money laundering, terrorist financing and proliferation financing.

The CBUAE did not state whether the branches retain their licences.

IMPLICATIONS

The measure followed regulatory examinations, and is the second CBUAE action in two months concerning Iran-related exposure at the UAE branches of a foreign bank, following the special examination of Banque Misr announced on 29 August.

Institutions holding correspondent, trade finance or payment exposure to the named branches may experience failed transactions without prior notification.

WHO IS AFFECTED

The restriction binds the named branches. Institutions in any UAE jurisdiction holding correspondent, nostro, trade finance or settlement exposure to them, including through an intermediary.

SUGGESTED ACTIONS

- Search correspondent, nostro and vostro, trade finance and payment records for exposure to the named branches, including routing through intermediaries.
- Identify any in-flight transaction caught by the prohibition on flows to and from Iran, and escalate it before it fails.
- Revisit Iran-nexus typologies in screening and transaction monitoring.

SOURCE: CBUAE press release, Sanctions on the branches of Bank Melli Iran (23 September 2026)

09 UAE launches its third National Risk Assessment on money laundering, terrorist financing and proliferation financing

REGULATOR / DATE	General Secretariat of the National Committee for Anti-Money Laundering, Combating the Financing of Terrorism and Financing of Proliferation. Launched 28 September 2026.
STATUS	Supervisory context only, no firm-level obligation. None. No obligation arises from the launch; findings are awaited.
JURISDICTION	○ DFSA / DIFC ○ FSRA / ADGM ● UAE Federal ○ CMA (formerly SCA)
FIRM CATEGORY	*No category test and no immediate obligation. Relevant as AML/CFT context to firms subject to UAE financial crime obligations in every jurisdiction, once findings are published.*
OTHER FIRM TYPES	MLROs and financial crime functions across the DIFC, ADGM and onshore UAE; DNFBPs and virtual asset service providers.

WHAT HAS CHANGED

The General Secretariat of the National Committee launched the third cycle of the UAE's National Risk Assessment, on the sidelines of the 15th United Nations Congress on Crime Prevention and Criminal Justice in Abu Dhabi.

The cycle brings together 84 competent authorities together with private sector input, and runs through five stages, feeding into the 2028 National Strategy and National Action Plan. A separate Proliferation Financing Risk Assessment Team draws on information from government, supervisory authorities and the private sector.

The first assessment was completed in 2018 and the second approved in 2024, the latter feeding the 2024 to 2027 National Strategy. The National Committee has said findings will be shared with authorities and the private sector.

IMPLICATIONS

The launch imposes no obligation on firms. The National Risk Assessment determines supervisory risk appetite for the subsequent cycle. The 2024 assessment informed the 2024 to 2027 National Strategy, and the current cycle will inform the 2028 Strategy and the supervisory programmes of the CBUAE, DFSA, FSRA and CMA.

On publication, firms will be expected to demonstrate that their business risk assessments reflect the national findings.

WHO IS AFFECTED

No firm-level obligation arises at this stage. On publication, the findings will apply to firms subject to UAE financial crime obligations in the DIFC, ADGM and onshore, and to DNFBPs and virtual asset service providers.

SUGGESTED ACTIONS

- No immediate action required. Findings are awaited.

SOURCE: CBUAE, AML/CFT Supervision: National Risk Assessment

Basis of preparation

This update is general information about regulatory developments. It is not legal advice and should not be relied on as such. Applicability to any particular firm depends on that firm's permissions, activities and circumstances. Firms should assess applicability against their own licence and take advice where the position is unclear.

The applicability dashboard and forward look are triage aids rather than statements of obligation, and the suggested internal owners are indicative and will vary with how responsibilities are allocated within a firm.

Where a development looks likely to affect your firm, please contact your usual Optima Partners contact or call us. We can work through the detail against your permissions, activities and client base, and help you reach a view on what, if anything, needs to change.

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