Cabinet Resolution No. (71) of 2024 Regulating Violations, Administrative Penalties Imposed on Violators of Measures for Confronting Money Laundering and Combating Financing of Terrorism Subject to the Control of Ministry of Justice and Ministry of Economy

The Cabinet,

- Upon reviewing the Constitution; and
- Federal Law No. (1) of 1972, Concerning the Competences of the Ministries and the Capacities of the Ministers, and its amendments; and
- Federal Decree-Law No. (20) of 2018, On Combating Money Laundering and the Financing of Terrorism and Illegal Organisations, and its amendments thereof; and
- Cabinet Resolution No. (10) of 2019, Concerning the Executive Regulation of Federal Decree-Law No. (20) of 2018 On Combating Money Laundering and the Financing of Terrorism and Illegal Organisations, and its amendments thereof; and
- Cabinet Resolution No. (74) of 2020, Concerning the Terrorists Lists and Implementation of UN Security Council Resolutions relating to Preventing and Countering Financing Terrorism and Leveraging Non-Proliferation of Weapons of Mass Destruction, and the Relevant Resolutions; and
- Cabinet Resolution No. (16) of 2021, Concerning the Unified List of Violations and Administrative Fines Imposed on Violators of Measures for Confronting Money Laundering and Combating the Financing of Terrorism Who are Under the Control of the Ministry of Justice and Ministry of Economy; and
- Based upon the proposal submitted by the Minister of Finance and the Cabinet's approval,

Has resolved as follows:

Article (1)

Definitions

Definitions stipulated in the aforementioned Cabinet Resolution No. (10) of 2019 shall be applied. Otherwise, the following terms and expressions shall be accorded their designated meanings, unless the context otherwise requires:

Ministry	:	Ministry of Justce or Ministry of Economy, as the case may be.
Minister	:	Minister of Justice or Minister of Economy, as the case may be.
Federal Decree-Law	:	Federal Decree-Law No. (20) of 2018, On Combating Money Laundering and the Financing of Terrorism and Illegal Organisations, and its amendments.
Executive Regulations	:	Cabinet Resolution No. (10) of 2019 Concerning the Executive Regulations of Federal Decree-Law No. (20) of 2018, On Combating Money Laundering and the Financing of Terrorism and Illegal Organisations, and its amendments.
Designated Non-Financial Businesses and Professions	:	Whoever engages in one or more of the commercial or professional businesses stipulated in Article (3) of the Executive Regulations, who are Under the Ministry oversight.

Article (2)

Scope of Application

Provisions of this Resolution shall apply to Designated Non-Financial Businesses and Professions upon violating any provision of the Decree-Law, the Executive Regulation or the resolutions issued for its implementation.

Article (3)

Authority to Impose Administrative Penalties

1. The Ministry may impose one of the administrative penalties stipulated in Article (14) of the Decree-Law or impose the administrative fines according to the list attached to this Resolution, or both, upon committing any of the violations set forth in the list attached to this Resolution.
2. The Minister shall designate a competent authority within the Ministry to be responsible for imposing the administrative fines on the designated non-financial businesses and professions, the procedures and controls to impose such fines.

Article (4)

Notification of the Administrative Penalty and Grievance Against it

1. The Ministry shall notify the violating party within the designated non-financial businesses and professions of the Ministry's decision to impose the administrative fine thereon within twenty (20) working days as of the date of issuing the notice.
2. Any individual with a capacity or any stakeholder may grieve to the Minister or his delegate against the administrative penalty within (30) thirty working days as of the date of the notice of the penalty or the grievant knowledge, as the case may be, provided that the grievance shall be substantiated and all supporting documents are attached in accordance with the procedures applicable in the Ministry.

3. Upon considering the grievance, the Minister or his delegate may take any of the following measures:
    a. Deny the grievance and endorse the prescribed administrative penalty in case the reasons and justifications on which the decision for which the grievance is submitted are valid.
    b. Amend the prescribed administrative penalty with another penalty from those stipulated in Article (14) of the Decree-Law or the unified listed attached to this Resolution, considering the violation, subject matter of the decision for which the grievance is submitted and its proportionality to the nature of the activity and volume of transactions of the facility, provided that the grievance shall not harm the aggrieved party.
    c. Cancel the prescribed administrative penalty in case the violation reasons are removed or invalid.
4. The decision that is issued on the grievance shall be final, and failure to reply to the grievance within (40) forty working days as of its submission date shall be deemed a rejection of the grievance.
5. Appeal against the administrative fine decision imposed in accordance with the provisions of this Resolution shall not be accepted prior to grievance and taking a procedure with respect to such decision, or the lapse of the deadline for replying thereto.

Article (5)

General Provisions

1. The fines imposed subject to the provisions of this Resolution shall be collected according to the mechanism prescribed by the Ministry of Finance.

2. The Ministry may double the administrative fine value that is imposed on the Violator once the violation is repeated.
3. Imposing the administrative fine under the provisions of this Resolution shall not prevent the Ministry to impose any of the other administrative sanctions stipulated in Article (14) of the Decree-Law.

Article (6)

Amendment of Fines

Subject to the provision of Article (14) of the Decree-Law, the Cabinet shall be competent authority to amend the value of the administrative fines set forth in the list attached thereto, whether by addition, deletion or amendment.

Article (7)

Executive Resolutions

The Minister shall issue the resolutions necessary to apply the provisions of this Resolution.

Article (8)

Repeals

The Cabinet Resolution No. (16) of 2021 Concerning the Unified List of Violations and Administrative Fines Imposed on Violators of Measures for Confronting Money Laundering and Combating the Financing of Terrorism Who are Under the Control of the Ministry of Justice and Ministry of Economy. Any provision that violates or contradicts the provisions of this Resolution shall be repealed.

Article (9)

Resolution Publication and Entry into Force

This Resolution shall be published in the Official Gazette and shall enter into force as of the day following the date of its publication.

Mohammed bin Rashid Al Maktoum

Prime Minister

Issued by Us:
Date: 2/ Muharram/ 1446 A.H.
Corresponding to: 08 July 2024 AD

The list Annexed to Cabinet Resolution No. (71) of 2024
Concerning the Unified List of Violations and Administrative Fines Imposed on Violators of Measures for Confronting Money Laundering and Combating the Financing of Terrorism Subject to the Control of the Ministry of Justice and Ministry of Economy

No.	Legal Reference	Violation	Administrative Fine Amount (AED)	
			Minimum	Maximum
1	Article (20) of the Executive Regulation.	Failure to set policies, measures and internal controls approved by the top management with the aim to combat committing crimes.	100,000	200,000
2	Article (20) of the Executive Regulation.	Internal policies and procedures are not consistent with the crime risks and the nature and size of the facility, or failure to update them continuously.	50,000	100,000
3	Article (20) of the Executive Regulation.	Failure to apply internal policies, procedures, and controls to a branch of the facility or a subsidiary company in which facility holds a majority stake.	50,000	100,000
4	Article (20) of	Failure to include any of the	50,000	200,000

	the Executive Regulation.	provisions listed in Article (20) of the Executive Regulation in the internal policies, procedures, and controls.		
5	Article (4) Para (1/B) of the Executive Regulation.	Failure of the facility to take necessary measures and procedures to identify, assess, understand, document, and continuously update crime risks in its field, as well as to provide such information upon request.	50,000	500,000
6	Article (4) Para (1/A) of the Executive Regulation.	Failure of the facility to consider all relevant risk factors, such as risks of customer. States, geographical regions, products and services, operations, and delivery channels of services and products before determining the overall risk level and the appropriate level of risk mitigation measures that will be applied.	50,000	500,000
7	Article (4), Clause (2) of the	Failure of the facility to undertake the actions and	50,000	1,000,000

	Executive Regulation.	procedures necessary to mitigate the risks identified based on the results of the National Risk Assessment or the self-assessment process given the nature and scale of the violator's business.		
8	Article (23) of the Executive Regulation.	Failure of the facility to identify and assess the risks that may arise in the violator's field of work when developing the services that the violator offers or when conducting new professional practices through its facility.	50,000	500,000
9	Article (6), Clauses (1, 2, 3, 4 and 5) of the Executive Regulation.	Failure to undertake the necessary customer due diligence measures before establishing the business relationship or performing a casual transaction in favour of the customer that is equal to or more than (AED 55,000), whether it is a sole or multiple transactions that seem connected, or upon making casual transactions in the form	50,000	200,000

		of telegraph transfers equal to or more than (AED 3,500) or when suspicion exists about the crime, data validity or sufficiency to identify the identity of the customer that was previously obtained.		
10	Article (5), Clause (2) of the Executive Regulation.	Failure of the facility to conduct risk management procedures with respect to circumstances where a customer would benefit from the business relationship before the verification process.	100,000	500,000
11	Article (8), Clauses (1) and (2) of the Executive Regulation.	Failure to verify - using documents or data from a reliable and independent source - of the customer identity and the real beneficiary or his deputy before or during the establishment of the business relationship or the account opening, or before conducting a transaction for a customer with whom he has no existing business relationship.	50,000	200,000

12	Article (8), Clauses (3, 4) of the Executive Regulation.	Failure to take necessary measures to understand the purpose, their nature, and nature of the business relationship of the customer and the structure of ownership as well as controlling the customer, or failure to obtain information related to such purpose whenever needed.	50,000	200,000
13	Article (9) of the Executive Regulation.	Failure to take reasonable measures to address crime risks arising from customer and the business relationship to identify and validate the beneficial owner of legal persons and legal arrangements.	50,000	200,000
14	Article (16) of the Decree-Law.	Failure of the facility to keep the information obtained through the execution of due diligence measures.	50,000	200,000
15	Article (4), Clause (2/B) of the Executive Regulation.	Failure to take enhanced due diligence measures to manage high-risk when identified.	100,000	500,000

16	Article (22), Clause (1) of the Executive Regulation.	Failure to apply enhanced due diligence measures proportionate to the level of risk arising from business relationships or transactions with natural or legal person from the States designated by the committee as high-risk or with weak or deficient anti-money laundering and combating terrorism financing systems.	100,000	500,000
17	Article (22), Clause (2) of the Executive Regulation.	Failure to apply countermeasures or other measures required by the supervisory authorities on their own or as specified by the committee with respect to high-risk States or those with weak or deficient anti-money laundering and combating terrorism financing systems.	100,000	500,000
18	Article (15) of the Executive Regulation.	Failure of the facility to set systems or take appropriate measures to manage risks or determine whether the customer or the beneficial	50,000	200,000

		owner is foreign or citizen, a politically exposed person or an individual who has previously held a prominent position in an international organization.		
19	Article (7) of the Executive Regulation.	Failure of the facility to conduct ongoing auditing and monitoring of the continuing business relationship to ensure that documents, data, or information obtained under customer due diligence measures are up-to-date and relevant. This occurs through reviewing the registers and books, especially the registers and books of high-risk customer categories.	50,000	500,000
20	Article (19) of the Executive Regulation	Failure to abide by measures and procedures when relying on a third party to conduct customer due diligence measures.	50,000	200,000
21	Article (16) of the Executive	Failure of the facility to develop indicators to detect potential	50,000	500,000

	Regulation.	criminal activity to report suspicious transactions and to continuously update such indicators according to the development and diversification of methods to commit such suspicious transactions, while complying with instructions issued by supervisory authorities or the Unit in this respect.		
22	Articles (15) and (17) of the Decree-Law.	Failure of the facility to promptly submit reports of suspicious transactions and investigations to the Financial Intelligence Unit upon suspicion, based on reasonable grounds or suspicion that a crime was committed, or failure to provide any additional information the Unit requests.	100,000	500,000
23	Article (17), Clause (1), and Article (20), Clause (2) of the Executive	Failure of the facility to register at the electronic system approved at the Financial Information Unit.	50,000	200,000

	Regulation.			
24	Article (21) of the Executive Regulation.	Failure of the facility to appoint a compliance officer who has the appropriate competence and expertise to perform his duties.	50,000	200,000
25	Article (21) of the Executive Regulation.	Failure of the facility to enable the compliance officer to perform any of the duties stipulated in Article (21) of the Executive Regulation.	50,000	500,000
26	Article (24), Clauses (1), (3) and (4) of the Executive Regulation.	Failure of the facility to keep any of the records, documents and data stated in the Decree-Law or the Executive Regulation, or to organize them in a manner that allows re-analysis and reconstruction of individual transactions, data analysis, and tracing financial operations according to the specified periods, or the failure to make the same promptly available for relevant entities upon request.	50,000	200,000
27	Article (16) Para	Failure to promptly apply	100,000	1,000,000

	(1/E) of the Decree-Law. and Article (60) of the Executive Regulation.	decisions issued by the concerned authority in the State with respect to execution of UN Security Council's resolutions issued under Chapter Seven of the UN Charter to prevent and suppress terrorism and its financing, prevention and suppression of mass destruction weapons proliferation and suspension and its financing and other relevant resolutions.		
28	Article (18) of the Executive Regulation.	Disclosing, directly or indirectly, to the customer or any other person(s) that they have reported or are intending to report suspicious transactions, or the information and data relevant to such transactions, or that there is an investigation thereto.	100,000	500,000
29	Article (39) of the Executive Regulation.	Contacting the customer, whether directly or indirectly, to inform the customer with	100,000	500,000

		the procedures that were conducted concerning the latter without a written request from the relevant supervisory entity.		
30	Article (14) of the Executive Regulation.	Dealing with shell banks in any way, whether through opening bank accounts, or accepting funds or deposits from such banks.	200,000	1,000,000
31	Article (14) of the Executive Regulation.	Open or keep bank accounts under nickname, pseudonym or fake name, or with numbers other than their owners names.	200,0000	1,000,000
32	Article (44) of the Executive Regulation.	Failure to comply with the instructions, regulations, and forms concerning crime combating set by supervisory authorities, or failure to respond to request for information regarding the verification of compliance with the provisions of the Decree-Law, the Executive Regulation and the resolutions issued in implementation thereof from	50,000	1,00,000

		the part of the facilities under control.		
33	Article (21) Clause (1) of Cabinet Resolution No. (74) of 2020.	Failure of the facility to register at the website of the Executive Office for Control and Non-Proliferation with the aim of receiving notifications related to the new designation, re-designation as well as updating or de-listing notifications issued by the Security Council, the Sanctions Committee, or the Council of Ministers.	50,000	1,000,000
34	Article (21) Clause (2) of Cabinet Resolution No. (74) of 2020.	Failure to constantly verify databases and transactions and compare them with the names on the lists issued by the Security Council, the Sanctions Committee or the local lists, as well as upon being informed of any changes in any of these lists.	50,000	1,000,000
35	Article (21) Clause (3) of Cabinet Resolution No.	Failure of the facility to freeze funds under the local penalties list and the local lists promptly when any match appears and	500,000	1,000,000

	(74) of 2020.	without any prior warning.		
36	Article (21) Clause (4) of Cabinet Resolution No. (74) of 2020.	Failure of the facility to enforce the decision to cancel the freeze, in compliance with the relevant Security Council resolutions or Cabinet decisions regarding the issuance of local lists.	50,000	100,000
37	Article (15) Clause (21) Para (5/1) of Cabinet Resolution No. (74) of 2020.	Failure of the facility to promptly report to the Executive Office for Control and Non-Proliferation with respect to freezing procedures taken.	50,000	100,000
38	Article (15) and Article (21) Para (5/B) of Cabinet Resolution No. (74) of 2020.	Failure of the facility to promptly report to the Executive Office for Control and Non-Proliferation upon determining any match with the designated persons or organizations, details of their data and the actions taken in compliance with the requirements set by the related Security Council Resolutions or	100,000	1,000,000

		Cabinet decisions and the local lists, including transactions that are being attempted.		
39	Article (21) Paragraphs (5/C and D) of Cabinet Resolution No. (74) of 2020.	Failure of the facility to promptly report to the Executive Office for Control and Non-Proliferation if the facility one of its former customers or any occasional customer dealt with is a person or organization included in the Sanctions List or the local lists, or when there is suspicion that a current or former customer, or someone associated with the facility, is listed or has a direct or indirect connection with the listed person.	100,000	1,000,000
40	Article (21) Paragraph (5/E) of Cabinet Resolution No. (74) of 2020.	Failure of the facility to promptly report to the Executive Office for Control and Non-Proliferation upon failure to take any action due to similarity of names and in case removing that similarity has failed through available or accessible information.	50,000	1,000,000

41	Article (21) Clause (6) of Cabinet Resolution No. (74) of 2020.	Failure of the facility to set and apply internal policies, controls and procedures pursuant to provisions of the aforementioned Cabinet Resolution No. (74) of 2020.	100,000	1,000,000