

Taming Financial Crime Beasts in the Middle East Region: Welcome to the Concrete Jungle

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Welcome to the Financial Crime focus issue of Law Update, which this year takes the theme of a Concrete Jungle and explores many of the financial crime issues that have been growing throughout international markets, as new threats emerge and the legal landscape responds.

Changes to the geopolitical ecosystem have had a profound effect on several financial crime issues. Widening rifts between the US and its traditional European allies have broken new ground for divergence in the sanctions' framework regarding Iran, and the impending Brexit process of extricating the UK from the EU calls into question how the UK will legislate to protect against financial crime, and how this will be applied extraterritorially to companies in the Middle East. Both of these issues are explored in greater detail in this issue, alongside other international developments, including how China's shifting trade flows could provoke potential financial crime issues for Middle Eastern businesses, and global trends in corruption unearthed by Transparency International's Corruption Perceptions Index 2018.

Forces from within the Region's borders are also stirring up change. The Middle East and North Africa Financial Action Task Force's ('**MENAFATF**') ongoing second round of Mutual Evaluations has left clear footprints across the AML/CTF defences of member countries that are eager to gain favourable recognition by addressing previously identified areas of concern. Following the publication of Saudi Arabia's and Bahrain's reports in October 2018, the UAE faces onsite evaluation by MENAFATF experts in the second half of 2019 and has taken proactive measures to fortify its combative framework in FATF evaluations. Changes in AML regulations are subject to a constant state of revision, driven by the need to respond to emerging threats and challenges, and two of our featured articles are dedicated to the ways in which the

UAE and Egypt are modernising AML/CTF techniques.

Other articles delve into the anti-corruption approaches of several regional countries, including an inside view of Saudi Arabia's National Anti-Corruption Committee ('**Nazaha**'), the recently established anti-corruption strategy of Kuwait, and Oman's broader financial crime framework. Using the example of the UAE, the remainder of this Focus section's contributions offer an overview of how holistic reform contributes to fortified financial crime defences, including the long awaited new Foreign Direct Investment law (specifically for the booming technology sector), establishment of Dubai's new Federal Audit Authority, and protections applied to the healthcare industry as a key sector driving economic development.

We hope you find this special edition interesting. For any queries related to any financial crime issues, please feel free to contact either [Khalid Al Hamrani](#) or [Ibtissem Lassoued](#).