

# RISKCHECK

September 2022

## LATEST NEWS ON OPERATIONAL RISK

[explore@benchmatrix.com](mailto:explore@benchmatrix.com) | [www.benchmatrix.com](http://www.benchmatrix.com)



# SUMMARY OF NEWS

1. Central Bank of UAE updates AML guidelines for financial institutions
2. Despite political chaos, inflationary pressures, banking sector recovering
3. Qatar central bank issues first license for digital payments
4. Expat in Saudi Arabia who attempted to smuggle \$297,000 convicted of money laundering
5. Saudi banks warn against new financial fraud via fake news websites
6. Saudi Public Prosecution: 11 people arrested for stealing money from bank accounts
7. Kuwait awaits FATF assessment on money laundering and terrorist financing
8. New FINTRAC guidance clarifies changes to Canada's anti-money laundering regime
9. How Malaysia's 1MDB Scandal Shook the Financial World
10. Revised US House bill sets AML rules for professional-services "gatekeepers"
11. Sri Lanka to deploy money laundering law against public amid forex trouble
12. Russia loses observer status at APG on money laundering
13. Loan Caution May Give Canadian Banks First Profit Drop Since '20
14. Brazil's central bank chief predicts end of credit cards
15. Kenya's banking sector outlook resilient in 2022, but challenges persist
16. Canadian banks brace for uncertainties after mixed quarter
17. Turkiye Digital Banking Users Rise to 85 million
18. Iran Approves Cryptocurrency Regulations, Raising Fears Of Skirting Sanctions
19. China's central bank to expand digital yuan pilot program
20. Visa: The digital banking revolution spiking up the interest of SMBs in Malaysia
21. Commercial International Bank – Egypt launches Instant Payment Network to support digital transformation plans
22. South Africa banks face growing risks as anti-money laundering deadline looms

# OPERATIONAL RISK NEWS

## Central Bank of UAE updates AML guidelines for financial institutions

August 02<sup>nd</sup>, 2022 – The new guidelines require LFI, including lenders, to create internal policies and procedures to manage risks linked to money laundering and the financing of terrorism.

## Despite political chaos, inflationary pressures, banking sector recovering

August 15<sup>th</sup>, 2022 – Despite political turmoil and inflationary pressures, the Kuwaiti banking sector is recovering and the acquisition of Ahli United Bank.

## Qatar central bank issues first license for digital payments

August 30<sup>th</sup>, 2022 - Qatar's central bank has issued its first license for digital payments services to iPay by Vodafone Qatar and Ooredoo Money, it said in a tweet on Tuesday.

## Expat in Saudi Arabia who attempted to smuggle \$297,000 convicted of money laundering

August 14<sup>th</sup>, 2022 - An expatriate in Saudi Arabia has been convicted of money laundering for attempting to smuggle \$297,000 via King Abdulaziz International Airport outside the Kingdom, the official Saudi Press Agency reported on Saturday.

## Saudi banks warn against new financial fraud via fake news websites

August 31<sup>st</sup>, 2022 - The Saudi Banks Media and Awareness Committee has warned against a new financial fraud, which appears via fake news websites).

## Saudi Public Prosecution: 11 people arrested for stealing money from bank accounts

August 31<sup>st</sup>, 2022- The gang was based in a house that they used to perpetrate their illegal actions and the suspects were apprehended pending investigation,

## Kuwait awaits FATF assessment on money laundering and terrorist financing

August 18<sup>th</sup>, 2022 - Informed banking sources said vigorous steps have taken by the concerned authorities regarding the development of a legal framework to regulate the activities and operations of influencers on social media.

## New FINTRAC guidance clarifies changes to Canada's anti-money laundering regime

August 11<sup>th</sup>, 2022 - the Canadian Department of Finance published amendments to the Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations (PCMLTF Regulations).

## How Malaysia's 1MDB Scandal Shook the Financial World

August 24<sup>th</sup>, 2022 - Malaysia's state-owned investment fund, 1MDB, was supposed to promote development.

## Revised US House bill sets AML rules for professional-services "gatekeepers"

August 12<sup>th</sup>, 2022 - Legislation passed by the US House of Representatives aims to impose anti-money laundering (AML) requirements on so-called "gatekeeping" activities.

## Sri Lanka to deploy money laundering law against public amid forex trouble

August 29<sup>th</sup>, 2022 - Sri Lanka is deploying a money laundering law against the public in co-ordination with the central bank after expat workers were observed to use unofficial channels to transmit money, police said.

## Russia loses observer status at APG on money laundering

August 23<sup>rd</sup>, 2022 - The Asia Pacific Group (APG) on Money Laundering has revoked observer status of Russia, citing its aggression in Ukraine.

# OPERATIONAL RISK NEWS

## Loan Caution May Give Canadian Banks First Profit Drop Since '20

August 22<sup>nd</sup>, 2022 - Canada's six largest banks are expected to report their first decline in earnings in two years as rising economic pessimism spurs them to stockpile more capital to protect against potential loan losses.

## Brazil's central bank chief predicts end of credit cards

August 12<sup>th</sup>, 2022- Brazil's central bank chief Roberto Campos Neto on Friday said he believes credit cards will cease to exist soon due to the growth of the open finance system, through which clients authorize financial data sharing with different institutions.

## Kenya's banking sector outlook resilient in 2022, but challenges persist

August 11<sup>th</sup>, 2022- The banking sector outlook for 2022 is stable and resilient, underpinned by sufficient capital and liquidity buffers, the Central Bank of Kenya (CBK) said in its July 2022 financial stability report.

## Canadian banks brace for uncertainties after mixed quarter

August 31<sup>st</sup>, 2022- Bank of Montreal (BMO.TO) (BMO) closed out a mixed quarter for Canada's biggest banks on Tuesday, with investors and analysts expecting some earnings drivers to ebb and economic uncertainties to increase in future quarters.

## Turkiye Digital Banking Users Rise to 85 million

August 22<sup>nd</sup>, 2022 –Active digital banking users in Turkiye numbers have increased from 70.8 million to 85.1 million from June 2021 to June 2022, reported Banks Association of Turkiye (TBB).

## Iran Approves Cryptocurrency Regulations, Raising Fears Of Skirting Sanctions

August 29<sup>th</sup>, 2022- Iran's government has approved a set of regulations for trading with cryptocurrencies, a move that potentially allows the country to skirt some U.S. financial sanctions imposed over Tehran's nuclear program.

## China's central bank to expand digital yuan pilot program

August 2<sup>nd</sup>, 2022- The People's Bank of China (PBoC) has listed the "orderly expansion of the scope of the digital yuan pilot" as one of its key tasks in the second half of the year, according to a Tuesday press release from the Chinese central bank's second-half-year work plan.

## Visa: The digital banking revolution spiking up the interest of SMBs in Malaysia

August 31<sup>st</sup>, 2022- Nearly all individuals in Malaysia are aware of digital banking, and consumer interest is relatively high.

## Commercial International Bank – Egypt launches Instant Payment Network to support digital transformation plans

August 21<sup>st</sup>, 2022- The Commercial International Bank – Egypt (CIB) has launched the Instant Payment Network (IPN) through its digital channels, including internet and mobile banking, as well as the Egyptian Banks Company's InstaPay application.

## South Africa banks face growing risks as anti-money laundering deadline looms

August 31<sup>st</sup>, 2022 - Banks in South Africa are likely to face difficulties, as well as higher costs, doing cross-border business and attracting foreign investment should the country fail to meet international anti-money laundering benchmarks.

# ABOUT BENCHMARKIX

BenchMatrix Private Limited is a Management Consultancy and Financial Solutions firm specialized in providing innovative, practical, and comprehensive solutions to its valuable clients. BenchMatrix is strengthened by renowned senior executives of the industry who have international working experience with global brands. We believe in understanding the complex needs of clients and delivering them tailor made solutions for their organizations.

## RISKCHECK

RiskCheck Operational Risk newsletter is published monthly. It keeps you abreast with the latest news, events and external risk exposures which could potentially impact your organization. Both national as well as international potentially high risk events are covered in this newsletter.

[Click here](#) to subscribe

For more information, please contact:

Tel: (+92 21) 3562-0945

Email: [explore@benchmatrix.com](mailto:explore@benchmatrix.com)

**Sources:** Reuters, New York Times, The International News, BBC, Dawn News, Business Recorder, Tribune, The Nation, American Banker, Belleville News-Democrat, Bank for International Settlements, Harvard Business Review, Federal Reserve, Telegraph, Norman Transcript, Indian Express, Buffalo News, US news, Ottawa Citizen, LA Times, Chicago Tribune and ABC.

# CONTACT US

## Head Office, Bahrain

Office 63, Building 2317,  
Road 2830, Block 428, Al Seef,  
Manama, Kingdom of Bahrain  
E: [waqas.alam@benchmatrix.com](mailto:waqas.alam@benchmatrix.com)  
M: +973 3513 9689

## Pakistan Office

A301-4, 3rd Floor, Lakson Square  
Building # 3, Sarwar Shaheed Road,  
Karachi, Pakistan  
E: [taimur.kaleem@benchmatrix.com](mailto:taimur.kaleem@benchmatrix.com)  
M: +92 332 5432689

## Canada Office

72 St. Leger Street Kitchener,  
Ontario N2H6R4, Canada  
E: [noman.zahid@benchmatrix.com](mailto:noman.zahid@benchmatrix.com)  
M: + 1 (647) 546-1985

## UAE Office

Office # 45A 27th Floor Prime Tower  
Business Bay, Dubai, United Arab  
Emirates  
E: [asad.ali@benchmatrix.com](mailto:asad.ali@benchmatrix.com)  
M: +971 50 8508325

## Kingdom of Saudia Arabia Office

2839 Sufayyah bint Abdulmutalib  
Street, Alnaeem district, Zipcode  
23621, Jeddah, Saudi Arabia  
E: [sultan.malki@benchmatrix.ca](mailto:sultan.malki@benchmatrix.ca)  
M: +966 50 666 0202

## Kuwait Office

E: [sanju.francis@benchmatrix.com](mailto:sanju.francis@benchmatrix.com)  
M: +965 555 09074

## Algeria Office

E: [imed.ouitis@benchmatrix.com](mailto:imed.ouitis@benchmatrix.com)  
M: +213 7714 78444