

DFSA BOARD OF DIRECTORS

Summary of Outcomes

14 June 2016

The DFSA Board of Directors (Board) met in Dubai on 14 June 2016.

Brexit Overview

Board Member, Lord David Currie, delivered a presentation to Members outlining his thoughts on the referendum held on 23 June 2016 to decide if the UK will stay in, or leave, the European Union. He also outlined some of the social and economic issues surrounding the referendum.

Presentation on FinTech

Mr Pinaki Aich, VP - Group Strategy, DIFC Authority, delivered a presentation to Members on the key themes of FinTech development in the region, as well as the DIFC Authority's strategy as regards developing the DIFC as a FinTech hub.

Presentation on Africa

Board Member, Dr J Andrew Spindler and Bryan Stirewalt, the Managing Director of Supervision, delivered a presentation to Board Members on various African jurisdictions.

Overview of the Chairman

The Chairman gave his customary overview and, amongst other things, noted that the number of authorised firms in the Centre continues to grow steadily.

The Chairman mentioned an overseas trip to Beijing where he and the Director of International Relations met with the Chairman of the China Banking Regulatory Commission, Mr Shang Fulin, and his senior team. The Chairman also met with the Governor of the People's Bank of China. A meeting will be arranged between the DFSA and the People's Bank of China in Beijing in October 2016, during the overseas Board meeting.

The Chairman also attended the Financial Services Volunteer Corps Forum with Dr J Andrew Spindler, during which he met senior Chinese officials.

The Chairman noted that expenditure remains in line with budget for 2016.

The Chairman also advised that it is expected that one new Board Member will join this year, replacing retired Board Member Robert Clarke, with a second possibly joining in 2017. This is being dealt with by the Governance and Nominations Committee.

Chief Executive's Report

The Chief Executive reported on key policy matters, as well as general regulatory and internal DFSA matters.

He mentioned meeting with H.E. Dr Obaid Al Zaabi, the Acting CEO of the Securities and Commodities Authority, and mentioned that he is scheduled to attend an Islamic Financial Services meeting in the next couple of weeks.

The Chief Executive then gave an update regarding large firms in the Centre.

The Chief Executive also mentioned developments in regards to the developing relationship with the Dubai Supreme Legislative Committee.

At the Chief Executive's invitation, the General Counsel provided Members with an overview of current legal matters. She also advised Members of new legislation which had recently been enacted, including the Dubai Economic Security Law (Law No. 4 of 2016).

The Chief Executive reported that the DFSA recently held a breakfast briefing, jointly with the ICAEW, for auditors on a range of audit issues and a DFSA outreach event which was jointly organised with the Compliance Officers Networking Group.

The Chief Executive informed Members that the China Banking Regulatory Commission has requested to join Standard Chartered Bank's Crisis Management Group as a permanent member. The Chief Executive also mentioned that the DFSA has received an invitation to join HSBC's Core Supervisory College as a permanent member and has also received support from the Bank of England for the DFSA's request to join HSBC's Crisis Management Group.

The Chief Executive also mentioned that the Listing Authority has completed ten Sukuk listings and it continues to perform well.

The Chief Executive noted that there has been an increase in interest from various start-up banks wishing to be licensed by the DFSA. He mentioned that the DFSA will continue to take a cautious approach to such applications, whilst working with applicants.

The Chief Executive advised Members that a recent review of the complaints process has resulted in the development and enhancement of the online complaints portal.

DFSA Fees Strategic Review

The Head of Policy and Strategy gave a presentation outlining the results of the DFSA's strategic review of fees.

Committee Activity

The Chair of the Legislative Committee advised Members that they would be invited to approve and make proposed changes to the Insurance Regime and the proposals to support the DFSA conducting more of its regulatory business online.

The Audit Committee reported that on YTD financial performance, the DFSA is currently within budget.

The Remuneration Committee reported on topics including remuneration costs for 2017, the Job Evaluation and Remuneration Structure review, the TRL program and other HR matters.

The Risk Committee reported on the review of the Risk Inventory, including the assessment of the mitigating actions and level of residual risk.

Members were informed that the Nationals and TRL Working Group is to be renamed “the Emirati Working Group”. The Working Group reported on its review and redesign of the TRL Programme. The Working Group also discussed recruitment of four Emirati staff and feedback from the recent informal meetings held with Emirati staff.

Members were also presented with an update on the DFSA’s PR and marketing activities, as well as the continued increase in media coverage for the DFSA on a local, regional and international level.

The next meeting of the Board will be in Dubai on 7 September 2016.