

## **DFSA BOARD OF DIRECTORS**

### **Summary of Outcomes**

**7 September 2017**

The DFSA Board of Directors met in Dubai on 7 September 2017.

#### Chairman's Overview

The Chairman welcomed Swee Lian Teo and Julie Dickson as new Board Members and thanked all the Board Members who had assisted in identifying and appointing them.

The Chairman attended two conferences in France, as a guest speaker: the Cercles des Economistes, a European finance and economic gathering, and Paris Europlace. The Chairman noted the emerging importance of Paris as a dominant financial centre in the wake of Brexit, in addition to Frankfurt.

The Chairman also reported that he had spoken at a forum in Salzburg, attended by US, Australian and Malaysian regulators, among others, and that he would be attending the IMF - World Bank meetings in October. The Chairman informed the Board that, whilst in the US, he will also attend meetings with the New York Department of Financial Services.

The Chairman of the French Securities Regulator, with whom the DFSA has had a very good relationship, is retiring at the end of this month. The Chairman will meet the retiring Chairman and the new Chairman at the end of September.

The Chairman gave an overview, in conjunction with the Director of International Relations, on forthcoming international visits.

#### Chief Executive's Report

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

He noted that there has been continued interest from firms in coming into the DIFC.

The Chief Executive commented that although the recent Dana Gas Sukuk matter has no connection to the DIFC, Nasdaq Dubai has witnessed a decline in new Sukuk listings, possibly due to the uncertainty surrounding this case.

The Chief Executive briefed the Board that in relation to the Qatar matter, the DFSA continues to engage with firms regarding the UAE Government's position.

The Chief Executive reported that there has been significant interest in the DFSA's Innovation Testing Licence from a range of firms. Furthermore, since launching the crowdfunding regime, the DFSA has licensed two entities and received several further expressions of interest in connection with the regime.

The Chief Executive also gave an update on the jurisdiction issue and mentioned an enforcement matter.

The Chief Executive further briefed the Board regarding preparations for the UAE FATF assessment. The DFSA is currently preparing for the National Risk Assessment, which must be completed prior to the FATF Mutual Evaluation.

The Chief Executive informed the Board that the DFSA was currently conducting a review of trading activity in fixed income securities.

The Chief Executive briefed the Board on the recent signing of an agreement to establish a framework of cooperation on FinTech innovation between the DFSA and the Securities and Futures Commission in Hong Kong. The agreement will allow for sharing information on FinTech developments as well as referrals for firms wanting to come into the DIFC to do business.

#### DIFC Compliance with International Standards on Information Exchange and Federal AML Obligations

The Managing Director of Policy and Strategy presented a paper on DIFC Compliance with International Standards on Information Exchange and Federal AML Obligations, and provided a summary of the issues which had been identified.

#### Presentation on Crypto-currencies

The Managing Director of Policy and Strategy delivered a presentation to the Board on crypto-currencies and the risks that they present.

#### Committee Activity

The Chair of the Legislative Committee reported that the Committee had approved Consultation Paper No. 116, dealing with certain miscellaneous proposals, and invited the Board to confirm its approval. The Chair also reported that the Committee had considered a discussion paper on Resolution. Further, the Committee had a discussion on the proposals to expand the scope of the Funds Regime which will be considered at the October Committee meeting.

The Chair of the Legislative Committee also advised the Board that the Committee had approved the proposal to transfer the administration of the Trust Law to DIFCA and recommended this to the Board for approval.

The Audit Committee reviewed a report on financial performance for the six months ended 30 June 2017. The Committee also reviewed the draft 2018 DFSA budget, which was approved and adopted by the Board, who directed that it be submitted by the Chairman to the President of the DIFC for his approval. The Committee also considered the 2017 internal audit program.

There were no meetings of the Remuneration Committee, the Risk Committee, the Governance and Nominations Committee and the Emirati Working Group.

*The next meeting of the Board will be in Dubai on 25 October 2017.*