BDO FINANCIAL CRIME ADVISORY

SUPPORTING YOU IN COMBATING FINANCIAL CRIME

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THE THREAT OF FINANCIAL CRIME TO THE FINANCIAL SERVICES INDUSTRY

In an increasingly globalised economy, with technological innovation constantly expanding, financial crime prevention is becoming ever-more complex.

Financial crime is no longer limited to abstract scandals or isolated illicit transactions. It is now sophisticated, deliberate, and built in within global financial systems. In the UAE, the challenge is particularly acute. The country's position as a global financial and trade hub coupled with the scale and velocity of cross-border financial flows has made its banking system a potential target for abuse by criminal networks. However, the recent removal of the UAE from the FATF grey list marks a significant turning point. This delisting reflects substantial progress in strengthening the nation's AML and CTF frameworks. It has not only enhanced the UAE's international reputation but also raised expectations for continued regulatory rigor and sustained compliance.

Over recent years, regulatory and thematic reviews have uncovered instances where firms have fallen short in their systems and controls, particularly around due diligence, transaction monitoring, and governance. These shortcomings have not only led to regulatory action but have also highlighted broader vulnerabilities in the financial sector's ability to detect and prevent financial crime.

The threat landscape continues to evolve rapidly. Criminal typologies are expanding, particularly in the areas of virtual assets, cyber-enabled crime, and misuse of digital onboarding channels.

Recognising this, UAE regulators have introduced new guidance on digital identity verification, VASP exposure, and cyber risk management. Institutions that fail to respond to these developments risk falling behind supervisory expectations and undermining trust in the system.

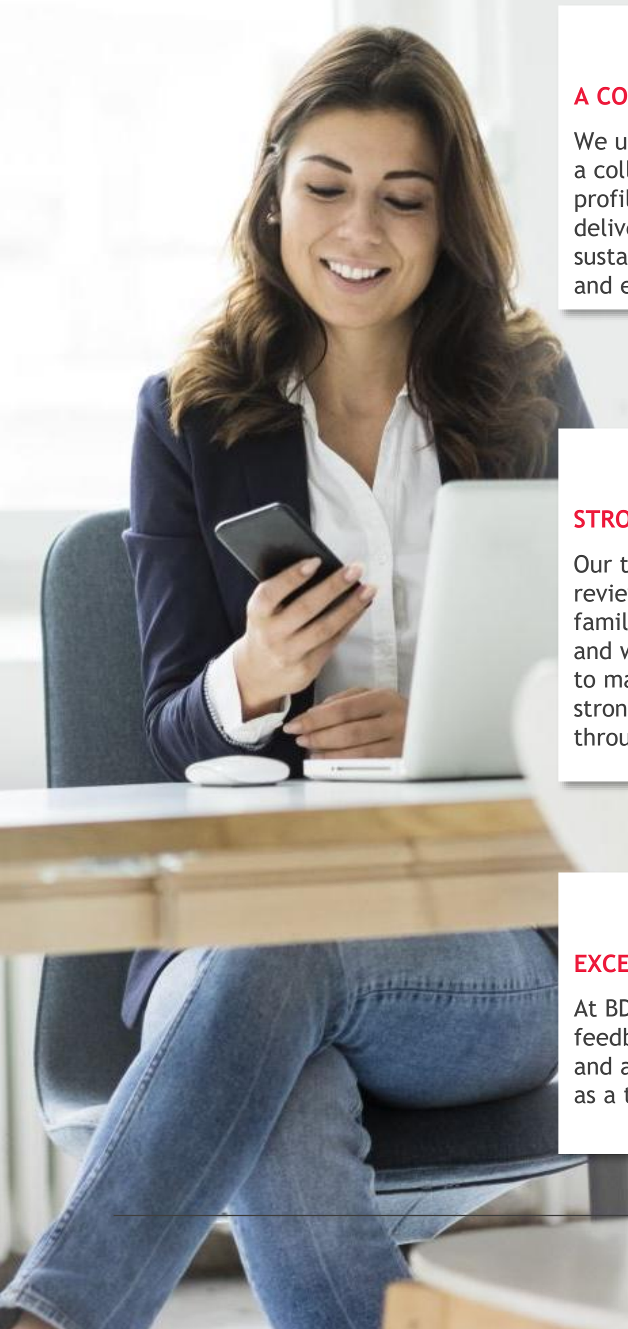
Licensed Financial Institutions (LFIs) are required to demonstrate maturity and effectiveness in their financial crime frameworks. The regulatory approach in the UAE is risk-based and principle-driven, meaning institutions must apply sound judgment and tailor their compliance programme to their specific risk profiles. A standardized, check-box approach is no longer acceptable. Proportionality, governance, and demonstrable risk mitigation are key.

From our experience, a well-functioning financial crime framework is not static. It must evolve continually to reflect changes in the institution's business model, customer base, delivery channels, and external threat landscape. With increasing regulatory clarity and industry collaboration, the financial crime compliance landscape in the UAE is growing stronger and more resilient and will continue to evolve in maturity as institutions align with global best practices and regulatory expectations.

CHOOSING THE RIGHT PARTNER FOR YOU

"At BDO, financial crime compliance is not just a checkbox; it's a commitment. We combine deep regulatory insight, cutting-edge analytics, and practical experience to help institutions stay one step ahead of evolving threats, build stakeholder trust, and lead with integrity."

Shivendra Jha, Partner & Head of Advisory, BDO UAE



BREADTH AND DEPTH OF DOMAIN EXPERIENCE

BDO brings one of the largest and most experienced financial services practices, supporting a diverse client base including global and regional banks, exchange houses, and fintech companies. Our Financial Crime Advisory team is composed of seasoned professionals with multidisciplinary backgrounds spanning banking, regulation, compliance, and risk management. We have a proven track record in conducting pre-licensing reviews, AML framework assessments, and CBUAE-appointed Skilled Person Reviews for Market Conduct. Our deep understanding of the UAE regulatory landscape combined with hands-on operational experience enables us to help clients build practical, risk-aligned controls that stand up to regulatory expectations.

A COLLABORATIVE AND TAILORED PARTNERSHIP

We understand that every organisation and engagement is unique. That’s why we take a collaborative, tailored approach to support each client’s specific objectives and risk profile. Drawing on our blend of regulatory insight and practical experience, we deliver fit-for-purpose solutions that are not only compliant but also operationally sustainable. We also provide a suite of value-added services to strengthen frameworks and ensure continued resilience under regulatory scrutiny.

STRONG REGULATORY RELATIONSHIPS AND DEEP DOMAIN EXPERTISE

Our team includes individuals who are empaneled by the CBUAE to lead these reviews, giving us valuable insight into what regulators expect and prioritise. We are familiar with the working styles, expectations, and methodologies of each regulator, and we tailor our approach to align with their specific ways of working. This allows us to manage relationships effectively and ensure a smooth process for our clients. Our strong regulatory knowledge and hands-on experience allow us to guide clients through complex, evolving requirements.

EXCEPTIONAL CLIENT SERVICE

At BDO, we are committed to delivering exceptional client service. We gather critical feedback and insight, helping us continuously enhance the quality of our engagements and align our services with evolving client needs. This dedication reinforces our role as a trusted advisor in a highly regulated and fast-moving landscape.

BESPOKE SUPPORT TO FIT YOUR NEEDS

EXPERIENCED AND KNOWLEDGEABLE TEAM

At BDO, we know that choosing the right partner to support your financial crime compliance journey is an important step toward protecting your business and ensuring long-term success. With so many options available, and varying approaches to compliance, it is not always clear how or why a financial institution might engage a consultancy for support. Below, we have outlined the various ways in which we have supported clients in the past, and how we can help you in the future.

SKILLED PERSON REVIEWS

BDO brings global expertise and hands-on experience in delivering Skilled Person reviews across multiple jurisdictions from CBUAE to mandates issued by the UK's FCA (S166). We have conducted a wide range of baseline, thematic, and follow-up reviews, enabling institutions to respond effectively to supervisory scrutiny. Our approach is grounded in robust independent assessment and delivered through a pragmatic, risk-based lens. We support institutions throughout the review lifecycle from scoping and documentation to reporting, remediation planning, and regulatory engagement.

REMEDIATION & CONTROL ENHANCEMENT

We help LFIs develop and execute remediation and enhancement programmes that address regulatory findings, Skilled Person review outcomes, or internal control weaknesses. Our support includes root cause analysis, governance oversight, subject matter expertise, operational delivery, and independent validation to ensure remediation outcomes are sustainable and effective. In parallel, we work with clients to uplift control frameworks, enhancing policies, procedures, governance structures, and risk assessments to meet regulatory expectations. Our work also extends to pre-licensing readiness helping firms establish strong foundations from the outset.

INDEPENDENT ASSESSMENT OF COMPLIANCE FRAMEWORK

BDO conducts independent assessments of financial crime frameworks, tailored to the scale and complexity of each institution. These reviews are often driven by board oversight, internal assurance functions, or regulatory engagement. We provide compliance maturity assessments and benchmarking against regulatory expectations to identify strengths, gaps, and areas for improvement. Our reviews are often conducted under the ISRS 4400 standard, providing actionable insights supported by regulatory-grade documentation.

OPTIMISATION OF TECHNOLOGY

We help clients evaluate, enhance, and validate their systems to ensure effective risk coverage and regulatory alignment. This includes in-depth reviews of an LFI's transaction monitoring systems, scenario configuration assessments, and AML typology evaluations to confirm that controls are appropriately calibrated. Our team also advises on technology strategy, assists with solution selection and implementation, and provides independent testing to ensure tools are embedded effectively within the existing control framework and are delivering intended outcomes.

RESOURCE AUGMENTATION SUPPORT

BDO provides flexible resourcing solutions to help institutions manage short-term pressures and specialized project needs. Through our Financial Crime Advisory and Risk Advisory teams, we offer experienced and operational specialists to support with ongoing workloads, backlogs, and remediation efforts.

TRAINING

We deliver tailored risk-based and role-specific training solutions to strengthen financial crime awareness and support regulatory compliance across all levels of an organisation. Our offerings include both e-learning modules and in-person workshops, covering local and international AML/CFT obligations, sanctions regimes, and key financial crime risks.

FOR MORE INFORMATION:

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