

General Market Update

March 2020

**30th Mar
2020**

DFSA Publishes a Reporting Form on Operational Resilience Measures - COVID-19

- The COVID-19 pandemic presents an unprecedented challenge, and the DFSA expects Authorised Firms, Credit Rating Agencies, Registered Auditors, Representative Offices, and DNFBPs to keep the DFSA notified of any material impact COVID-19 may have on their business and operations. In continuation to the SEO letter dated 8th March 2020 on “Operational Resilience Measures”, the DFSA requests the Firms to fill out the short form related to measures undertaken by the Firm in response to the novel COVID-19 by 6 PM (UAE time) on 1st April. If the Firm already sent a notification in response to the SEO letter, and the information reported remains current, there is no need to submit the form.
- If at any time there is a material change to the information previously submitted, please resubmit the form with the updated information.
- The form will remain available after 1st April for submission of any updated information.

**29th Mar
2020**

DIFC Authority is launching a new “Business Stimulus Initiative”

- The DIFC announced that it is launching a new “Business Stimulus Initiative”. With the aim of reinforcing business confidence under the exceptional circumstances of Covid-19, the Initiative provides both corporate and retail clients with five packages which will be in place for the next three months (1 April – 30 June):
 1. A waiver of annual licensing fees on new registrations during the next three months;
 2. 10% discount of renewal fees for existing license holders in the DIFC that are due to renew their licenses during this period;
 3. Deferred payments in respect all properties owned by DIFC Investments for a period up to six months;

4. A reduction on property transfer fees from 5% to 4% for any sale of property (or any part thereof) that took place within the three month period and the transfer is registered with the DIFC Registrar of Properties, at the latest, within 30 days after the expiry of the said three month period;
5. A free movement of labour in and out of the DIFC to other free zones, provided that the employers concerned have the necessary arrangements and contracts in place with their employees.

<https://mailchi.mp/difc.ae/covid-19-notice-217899?e=241bd7d39c>

**24th Mar
2020**

DFSA Supports the UAE Government's Measures to Address the Challenges of Covid-19

- The DFSA announced that it continues to closely assess and address the implications of the evolving situation of Covid-19 pandemic. The DFSA will take all necessary proactive and precautionary measures to help Dubai and the UAE in their efforts to contain the spread of Covid-19 and will continue to work closely with all government agencies in that respect.
- In 19th edition of Markets Brief, the DFSA sets out guidance for Reporting Entities on reporting obligations in light of the Coronavirus disease (COVID-19) pandemic.

<http://www.dfsa.ae/MediaRelease/News/DFSA-Supports-the-UAE-Government%E2%80%99s-Measures-to-Add>

**23rd Mar
2020**

Cyber Risk Monitoring and Reporting

- The DFSA issued a Dear SEO letter emphasizing that the current extraordinary circumstances can increase Firm's vulnerability to cyberattacks.

Firms should continue staff cybersecurity awareness programmes to ensure staff are equipped to identify security threats and know how to avoid, report, and/or remove them. Firms must ensure they maintain appropriate controls to limit the risk of unauthorised access and maintain ongoing and effective network and perimeter monitoring.

DFSA encourages Firms to register to use the DFSA Threat Intelligence Platform (TIP) and make use of the cyber threat information available on TIP to enhance their cybersecurity. Firms can register via the DFSA ePortal. It involves no cost and is voluntary.

Authorised Firms and Registered Auditors should report material cyber incidents to the DFSA using the Cyber Incident Notification Form on the DFSA ePortal.

**22nd Mar
2020**

DFSA takes action against the Senior Executive Officer for multiple serious breaches

- The DFSA announced that it has fined Mr. Ajay Arora, SEO of Morgan Gatsby Limited (MGL), USD 87,500, prohibited him from holding office or being an employee of a regulated DIFC firm, and restricted him from performing any functions in connection with the provision of Financial Services in or from the DIFC.

The DFSA has taken this action following multiple serious breaches of DFSA legislation:

1. Execution of Client transactions without authorisation, providing false or misleading information about the transactions to the Clients, or concealing the transactions from the Clients;
2. Engagement in misleading and deceptive conduct towards Clients and the DFSA;
3. Failure to observe high standards of integrity and fair dealing.

<http://www.dfsa.ae/MediaRelease/News/DFSA-takes-action-against-a-Senior-Executive-Offic>

**9th Mar
2020**

Dubai Financial Services Authority Publishes Innovation Programme Progress Report

- The DFSA has published its Innovation Programme Progress Report. The Report highlights the DFSA's observations and lessons learnt since inception of the DFSA's Innovation Testing Licence (ITL) Programme in 2017.

<http://www.dfsa.ae/en/MediaRelease/News/Dubai-Financial-Services-Authority-Publishes-Innov?newsid=311>

**8th Mar
2020**

DFSA Issues The Letter on Operational Resilience Measures

- Due to a number of operational risk events this year, which require all to consider measures to take in light of any potential business disruption, the DFSA reminds Authorised Firms, Registered Auditors, DNFBPs, and Representative Offices (Firms) to keep the DFSA regularly informed of any material impact to their operations, staff, customers and financial condition. This includes circumstances where a Firm has invoked any crisis management or business continuity plan (BCP) and/or disaster recovery plan (DR).

**5th Mar
2020**

Notice of Amendments to Legislation

- Following the ending of the consultation period on a number of proposed legislative changes that were set out in Consultation Paper No. 125, 129 and 130 the DFSA Board, after due consideration of consultees' comments, made amendments to the DFSA Rulebook.
[http://www.dfsa.ae/en/MediaRelease/News/Notice-of-Amendments-to-Legislation-\(13\)?newsid=310](http://www.dfsa.ae/en/MediaRelease/News/Notice-of-Amendments-to-Legislation-(13)?newsid=310)

**3rd Mar
2020**

DFSA strengthens relationship with Isle of Man Financial Services Authority

- The DFSA has signed a new Memorandum of Understanding (MoU) with the Isle of Man Financial Services Authority (IOMFSA). The MoU establishes the framework for cooperation for the consolidated supervision of cross-border financial services activities, including retirement benefits schemes and employee money purchase schemes. It also provides for the exchange of views on global regulatory reforms, crisis management and resolution, and, financial and regulatory technology development.
<http://www.dfsa.ae/en/MediaRelease/News/DFSA-strengthens-relationship-with-Isle-of-Man-Fin?newsid=308>