

Federal Decree-Law No. (30) of 2024 on the "Know Your Customer" Digital Platform

We, Mohamed bin Zayed Al Nahyan
Arab Emirates,

President of the United

Having reviewed the Constitution,

- And Federal Law No. (1) of 1972 on the Competencies of Ministries and the Powers of Ministers, and its amendments,
- And Federal Law No. (8) of 2004 concerning Financial Free Zones,
- And Federal Law No. (6) of 2010 concerning Credit Information, and its amendments,
- And Federal Decree-Law No. (14) of 2018 concerning the Central Bank and the Organisation of Financial Institutions and Activities, and its amendments,
- And Federal Decree-Law No. (20) of 2018 on Anti-Money Laundering and Combating the Financing of Terrorism and Financing of Illegal Organisations, and its amendments,
- And Federal Decree-Law No. (32) of 2021 on Commercial Companies,
- And Federal Decree-Law No. (45) of 2021 on the Protection of Personal Data,
- And based on the proposal of the Minister of Finance, and the approval of the Cabinet,

Have issued the following Decree-Law:

Article (1) Definitions

In the application of the provisions of this Decree-Law, the following words and phrases shall have the meanings assigned to each of them, unless the context otherwise requires:

The State : The United Arab Emirates.

The Cabinet : The Cabinet of the United Arab Emirates.

The Ministry : The Ministry of Finance.

The Minister	: The Minister of Finance.
The Central Bank	: The Central Bank of the United Arab Emirates.
The Governor	: The Governor of the Central Bank.
Concerned Entities	: The entities specified by the Executive Regulation of this Decree-Law.
The Platform	: The "Know Your Customer" Digital Platform.
The Company	: The company established in implementation of the provisions of this Decree-Law for the purpose of creating and managing the Platform to carry out the collection, analysis, use, circulation, and exchange of "Know Your Customer" data and the issuance of "Know Your Customer" reports.
Data Provider	: Any entity that provides the necessary data to the Platform in accordance with the provisions of this Decree-Law and its Executive Regulation, including federal and local government entities and institutions, private sector companies and institutions operating in the State or in Free Zones, financial institutions, insurance companies, and insurance-related professions licensed by the Central Bank, or any other entity considered by the Company as a potential data provider.
The Customer	: Any natural or legal person who agrees to the issuance of a "Know Your Customer" report about them.
The User	: The entity entitled to obtain a "Know Your Customer" report in accordance with the provisions of this Decree-Law and its Executive Regulation.
"Know Your Customer" Data	: The data, information, and official documents related to the Customer, which are required to be submitted to the User to enable them to conduct prior verification of the Customer as specified by the Executive Regulation of this Decree-Law.
"Know Your Customer" Report	: A report issued by the Company based on the Customer's consent and the User's request, which includes the "Know Your Customer" data.

- Customer's Consent : The prior consent of the Customer, whether written, digital, or by any other legally acceptable means, for the purposes specified in this Decree-Law and its Executive Regulation.
- Code of Conduct : A binding set of controls applied to the Data Provider and the User to regulate the process of requesting, collecting, storing, analysing, classifying, using, circulating, and exchanging "Know Your Customer" data, the dispute resolution mechanism, and defining the operational policies and procedures for such data.

Article (2)

Objectives

This Decree-Law aims to:

1. Develop the financial infrastructure and promote digital transformation in the State.
2. Verify the identity of the Customer and their compliance with the financial and other regulations and legislation in force in the State.
3. Provide the necessary data and information to the User to enhance transparency in financial transactions.
4. Regulate the collection, analysis, classification, and use of "Know Your Customer" data in the State.
5. Facilitate the exchange of information and cooperation in combating financial crimes.

Article (3)

Scope of Application

The provisions of this Decree-Law shall apply to the following:

1. The Company, the Data Provider, the Customer, and the User.
2. Anyone related to the "Know Your Customer" data as specified by the Executive Regulation of this Decree-Law.

Article (4)

Establishment of the Company

1. In implementation of the provisions of this Decree-Law, a company shall be established to create and manage the "Know Your Customer"

platform. The Company shall have a legal personality and the legal capacity necessary to carry out its activities, and shall be subject to the provisions of Federal Decree-Law No. (32) of 2021 on Commercial Companies, and its amendments, or any other law that replaces it, in matters not specifically provided for in this Decree-Law and the Company's Articles of Association.

2. The Company shall have a Board of Directors consisting of a number of members not less than (7) seven members, and not more than (11) eleven members, including the Chairman of the Board. This Board shall be chaired by an Assistant Governor of the Central Bank. The Central Bank shall prepare the Articles of Association of the Company in coordination with the Ministry, and it shall be issued by a decision of the Cabinet based on the proposal of the Minister. The Articles of Association shall include all provisions governing the Company, including the following:
 - a. The name of the Company and its legal form.
 - b. The ownership of the Company, its head office, and its branches.
 - c. The purposes of the Company, its issued and authorized capital, and the method of its payment.
 - d. The procedures and provisions for increasing or reducing the Company's capital.
 - e. The formation of the Board of Directors, the method of appointing its members, and the determination of their competencies, powers, and remuneration.
 - f. The composition, competencies, and powers of the General Assembly.
 - g. The operating system of the Company.
 - h. The dissolution and liquidation of the Company.
 - i. The minimum ownership of the Federal Government in the Company's capital, the nature of the shares it owns, and the rights these shares grant to the Federal Government in voting on the decisions of the General Assembly.

Article (5)

Activities of the Company

In addition to the activities prescribed for the Company under its Articles of Association, the Company shall carry out the following activities:

1. Creating and managing the Platform.
2. Organising the processes of collecting, storing, analysing, classifying, using, circulating, and exchanging "Know Your Customer" data in compliance with the cybersecurity policies, standards, and guidelines in the State.
3. Issuing the "Know Your Customer" report and any other related reports and products in accordance with the controls specified by the Executive Regulation of this Decree-Law.
4. Agreeing with the Data Provider to regulate the process of obtaining "Know Your Customer" data.
5. Preparing and developing risk tools and standards and related matters.

Article (6)

Obligations of the Company

Without prejudice to the provisions of the Company's Articles of Association and the controls and decisions issued by the Central Bank in accordance with Article (12) of this Decree-Law, the Company shall be obliged to do the following:

1. Not to disclose or reveal the "Know Your Customer" data in its possession to third parties except in accordance with the provisions of this Decree-Law and its Executive Regulation.
2. To establish modern systems for processing "Know Your Customer" data and "Know Your Customer" reports in accordance with the controls and specifications determined by the Executive Regulation of this Decree-Law.
3. To protect the "Know Your Customer" data transmitted through the Platform from loss, damage, unauthorised or unsafe access, use, or modification, including developing tools and means for handling emergencies.
4. To comply with the use of "Know Your Customer" data in accordance with the provisions of this Decree-Law, its Executive Regulation, and the decisions of the Central Bank.

5. To report to the Central Bank any violations of the provisions of this Decree-Law and its Executive Regulation.

Article (7)

Access to Data

1. The Customer may access the details of their "Know Your Customer" report in accordance with the controls determined by the Executive Regulation or approved by the Central Bank.
2. The Company shall not be liable for any error in the "Know Your Customer" data provided by the Data Provider unless it is a result of the negligence of the Company or one of its employees.
3. The Executive Regulation of this Decree-Law shall specify the procedures and provisions for processing requests to amend the "Know Your Customer" report based on the Customer's request.

Article (8)

Relationship with the Data Provider

1. The Company shall conclude an agreement with the Data Provider to regulate the mechanism for providing, using, and exchanging "Know Your Customer" data, and the related terms, conditions, and forms for the protection and confidentiality of "Know Your Customer" data.
2. The Data Provider shall provide the Company with the "Know Your Customer" data it requests in accordance with the agreement concluded between them without imposing any financial burdens on the Company.
3. The Executive Regulation of this Decree-Law shall specify the Customer's data required for the Platform that the Data Provider may provide to the Company.

Article (9)

Prohibition of Use and Circulation of "Know Your Customer" Data

The Company is prohibited from using, circulating, or exchanging "Know Your Customer" data for purposes other than those stipulated in this Decree-Law and its Executive Regulation.

Article (10)

Controls for Issuing the "Know Your Customer" Report

1. The User must obtain the Customer's consent before requesting to obtain a "Know Your Customer" report, and the Company must develop the necessary procedures or systems to ensure the availability of the Customer's consent for any report requested by the User in this regard.
2. Notwithstanding Clause (1) of this Article, the User may, based on an order from the urgent matters judge, request the Company to issue a "Know Your Customer" report on any of its debtors in accordance with the controls specified by the Executive Regulation of this Decree-Law.

Article (11)

Confidentiality of "Know Your Customer" Data

Without prejudice to the provisions of Article (10) of this Decree-Law, "Know Your Customer" data is confidential by nature and shall only be used between the parties to the relationship stipulated in this Decree-Law and its Executive Regulation. It may not be accessed or disclosed directly or indirectly to any user except with the consent of the Customer, their heirs, their legal representative, or their authorized agent, or upon a request from the competent judicial authorities to the extent necessary for investigations and cases before them.

Article (12)

Competencies of the Central Bank

The Central Bank, in its capacity as the competent supervisory authority over the Company's activities, shall have the following competencies under the provisions of this Decree-Law and its Executive Regulation:

1. Supervising and overseeing the proper performance of the Company's assigned tasks.
2. Establishing the controls under which the Company shall practice its activity and provide its services and related matters.
3. Establishing and issuing the Code of Conduct applicable to the Data Provider and the User.

4. Determining the data and information related to the Customer that the Company may request from Data Providers.
5. Issuing any instructions or decisions to the Company in accordance with the provisions of this Decree-Law, its Executive Regulation, and the legislation in force in the State.

Article (13)

"Know Your Customer" Database

The "Know Your Customer" database shall be linked in accordance with what is determined by the Executive Regulation of this Decree-Law.

Article (14)

Penalties

1. Anyone who commits any of the following acts shall be punished by imprisonment for a period of not less than (2) two years and a fine of not less than (50,000) fifty thousand dirhams, or by one of these two penalties:
 - a. Disclosing "Know Your Customer" data or a "Know Your Customer" report in cases other than those authorised in accordance with the provisions of this Decree-Law and its Executive Regulation.
 - b. Obtaining or accessing a "Know Your Customer" report without obtaining the approvals required in accordance with the provisions of this Decree-Law and its Executive Regulation, or by using fraudulent methods or incorrect information.
 - c. Breaching the confidentiality prescribed for "Know Your Customer" data or a "Know Your Customer" report.
 - d. Misrepresenting data or providing incorrect information to the Company in bad faith.
2. The commission of any of the crimes stipulated in this Decree-Law and its Executive Regulation by a public official or any of the Company's employees shall be considered an aggravating circumstance.
3. The imposition of the penalties stipulated in this Decree-Law shall not prejudice any more severe penalty provided for in any other law, nor the civil liability of the violator.

Article (15)

Violations and Administrative Penalties

The Cabinet shall, upon the proposal of the Minister and after coordination with the Governor, issue a regulation on violations and administrative penalties for acts committed in violation of the provisions of this Decree-Law and its Executive Regulation, the mechanism for appealing against them, and how to collect administrative fines.

Article (16)

Executive Regulation

The Central Bank shall prepare the Executive Regulation of this Decree-Law in consultation with the concerned entities in the State, and it shall be issued by a decision of the Cabinet based on the proposal of the Minister, and shall include, at a minimum, the following:

1. Determining the nature and description of Data Providers.
2. The mechanism for providing data to the Platform, its type, and nature.
3. The rights and obligations of all related parties.
4. Controls and specifications for the systems used to store, process, protect, and issue everything related to "Know Your Customer" data and "Know Your Customer" reports.
5. The controls under which the Customer may access the details of their "Know Your Customer" report.
6. Controls for issuing a "Know Your Customer" report on any of the User's debtors.
7. The mechanism for submitting, examining, and processing data-related complaints.

Article (17)

Fees

The Board of Directors of the Central Bank shall, upon the proposal of the Company's Board of Directors and after coordination with the Ministry, issue a decision determining the financial consideration that the Company receives in return for providing its services to users.

Article (18)

Judicial Enforcement Officers

The employees of the Company who are designated by a decision of the Minister of Justice in agreement with the Governor shall have the capacity of judicial enforcement officers in proving what is committed in violation of the provisions of this Decree-Law, its Executive Regulation, and the decisions issued in implementation thereof, each within their scope of competence.

Article (19)

Repeals

Any provision that violates or contradicts the provisions of this Decree-Law shall be repealed.

Article (20)

Publication and Entry into Force of the Decree-Law

This Decree-Law shall be published in the Official Gazette and shall come into force from the date of its publication.

Mohamed bin Zayed Al Nahyan
President of the United Arab Emirates

Issued by us at the Presidential Palace - Abu Dhabi:

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