

# EXECUTIVE SUMMARY OF AMENDMENTS

COVERAGE: **CENTRAL BANK OF BAHRAIN**

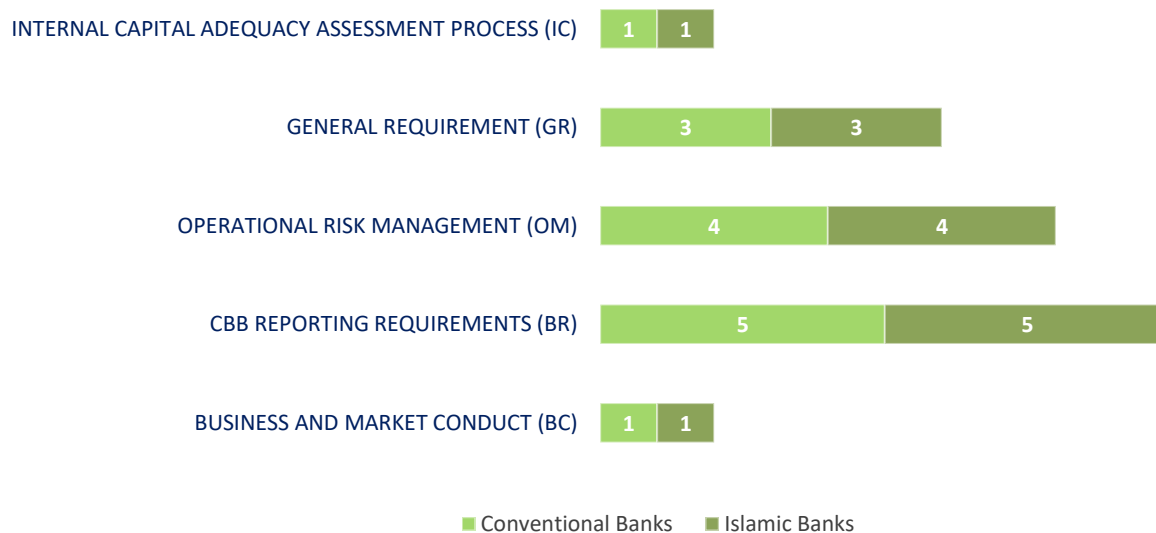
LOCATION: **BAHRAIN**

ISSUE: **FEB 2022 TO APR 2022**



## SUMMARY

During the period from February 2022 to April 2022, Central Bank of Bahrain (CBB) made total 28 amendments in module I & II (14 in Volume I and 14 in Volume II). These regulations/instructions were predominantly in the areas of CBB Reporting Requirements and High Level Controls.



## DETAILS OF ISSUED/AMENDED REGULATIONS

Key instructions / regulations disseminated by CBB during February, 2022 to April, 2022 are summarized as below:

### Internal Capital Adequacy Assessment Process (IC)

#### IC-1.6.1 (Conventional & Islamic Banks)

According to CBB amendment, Banks must ensure that the independent review undertaken in accordance with Paragraphs HC-6.3.33 and HC-6.6.34, addresses all the requirements within Module IC.

### General Requirements (GR)

#### GR-6.1.5 (Conventional & Islamic Banks)

This section is pertained to retail banking. According to amendment the information accessed and shared should include transaction data, relevant Merchant Category Code information and product and services data that banks are required to publicly disclose, such as price, fees, and other charges should be made publicly available under open banking.

#### GR-6.1.8 (Conventional & Islamic Banks)

This amendment is regarding the conventional retail bank licensees to provide access and share information and data pertaining to customer account activity, including the Merchant Category Code information relevant to the payments from the customer account.

#### GR-6.2.5 (Conventional & Islamic Banks)

According to amendment Conventional Retail Bank must establish and make available a testing facility, in accordance with the operational guidelines included in the Bahrain Open Banking Framework, companies operating in the CBB's Regulatory Sandbox as open banking service providers and AISPs/PISPs granted in-principle confirmation to proceed with the CBB's licensing process.

### Operational Risk Management (OM)

#### OM- 1.3.17 (Conventional & Islamic Banks)

According to this amendment, banks should ensure that a vacation policy must be in line with Bahrain Labour Law.

#### OM- 5.5.57 (Conventional & Islamic Banks)

This amendment is pertaining to cyber securities. According to amendment Upon occurrence or detection

of any cyber security incident, whether internal or external, that compromises customer information or disrupts critical services that affect operations, conventional bank licensees must contact the CBB, immediately (within one hour), on 17547477 and submit Section A of the Cyber Security Incident Report.

OM- 5.5.58 (Conventional & Islamic Banks)

According to amendment, the CBB increased the submission of reporting (refer as OM-5.5.57) time from 5 days to 10 days.

OM- 5.5.61 (Conventional & Islamic Banks)

This section is same but deleted the reference of BR-4A.2.

## CBB Reporting Requirements (BR)

BR-3.1.12 (Conventional Banks) & BR-3.1.8 (Islamic Banks)

All banks must submit to the CBB Consumer Protection Unit instead of Compliance Directorate, 20 days after the end of the quarter, a report on complaints.

BR-3.2.6 (Conventional Banks) & BR-3.1A.6 (Islamic Banks)

This section pertained to foreign branches. According to amendment, all banks must submit to the CBB Consumer Protection Unit instead of Compliance Directorate, 20 days after the end of the quarter, a report on complaints.

BR- 4A.2 (Conventional Bank & Islamic Banks)

Deleted the whole section regarding the report to CBB.

BR- 5.1.10 (Conventional Bank & Islamic Banks)

This section is pertained to retail banking and regarding the promotion scheme. Now this section has been deleted.

BR-5.3.3 (Conventional Bank) & BR-5.3.4 (Islamic Banks)

According to amendments banks must notify the CBB in writing if they installed or removed an ATM in Bahrain.

## Business and Market Conduct (BC)

BC- 2.8.2 (Conventional & Islamic Banks)

The CBB deleted the Para (b) of this section i.e. The CBB is notified of any changes in dealing staff, in

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accordance with CBB requirements.

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