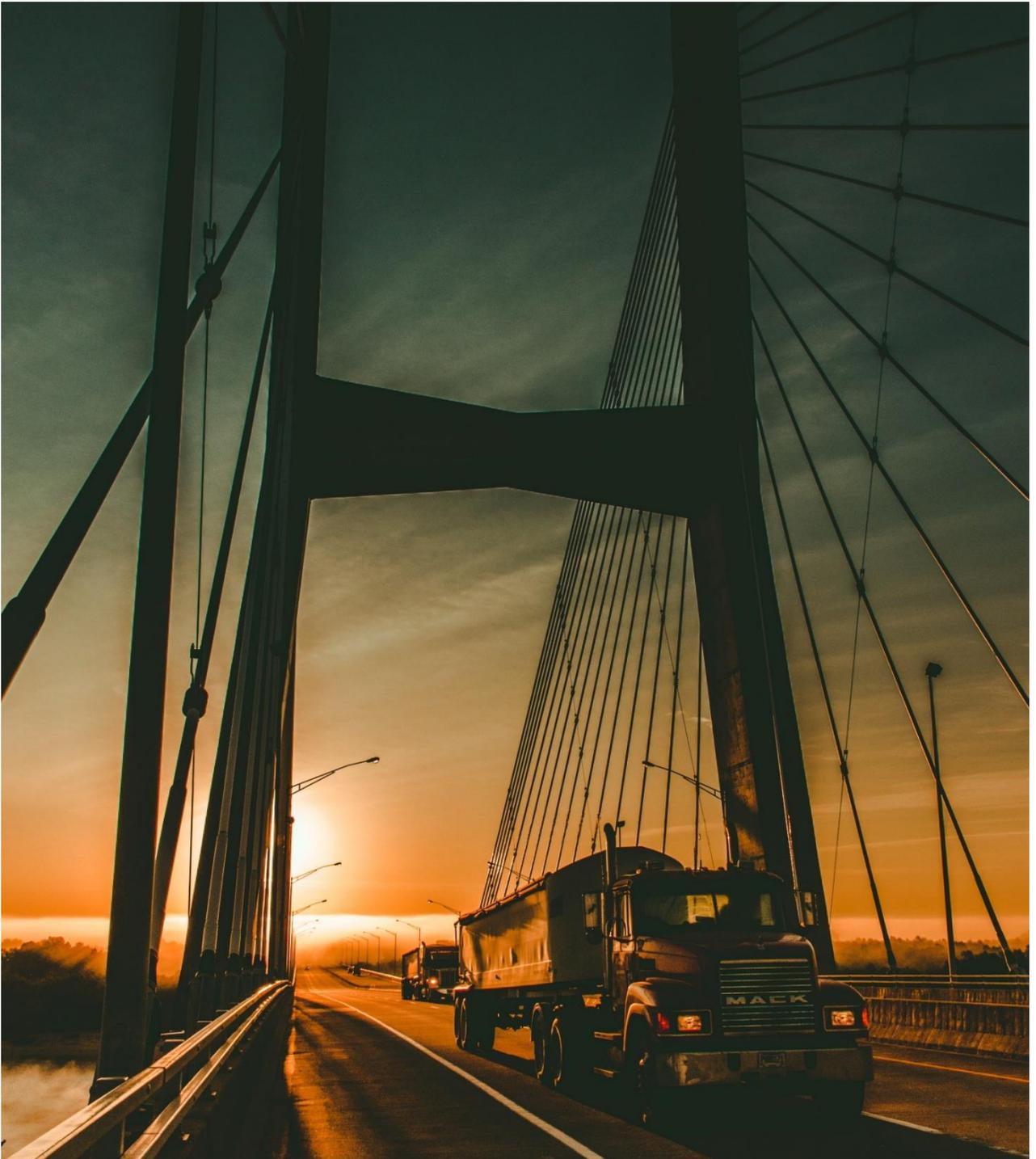


# RISKCHECK

August 2022

## LATEST NEWS ON OPERATIONAL RISK

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# OPERATIONAL RISK NEWS

## UAE imposes \$11m in fines for anti-money laundering offences in the first half of 2022

July 06<sup>th</sup>, 2022 – The Emirates' higher committee overseeing the national strategy on Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) also doubled its efforts to assist in international co-operation.

## Bank of Canada surprises with 100bp rate hike to tame inflation

July 13<sup>th</sup>, 2022 – The Bank of Canada on Wednesday raised its main interest rate by 100 basis points in a bid to crush inflation, surprising markets and becoming the first G7 country to make such an aggressive hike in this economic cycle.

## Nigerian fintech owners bag jail term in US over \$167million money laundering

July 18<sup>th</sup>, 2022 - The fintech executives who are Nigerians with the names Ansem Oshionebo and Opeyemi Odeyale pleaded guilty to contravening money laundering rules after sending \$167 million to Africa unchecked in less than three years.

## The UK has updated its Anti-Money Laundering Guidance—here's what it means for the art market

July 29<sup>th</sup>, 2022 - The UK's Anti-Money Laundering Guidelines have just been updated following their initial publication in February 2020.

## Qatar imposes ban on cash transactions to tackle fraud

July 31<sup>st</sup>, 2022 - As part of efforts to combat money laundering and terrorism financing, Qatar has imposed a ban on selected cash transactions exceeding the value of \$13, 732 (QAR 50, 000).

## "Default" risk recedes as IMF announces staff level agreement with Pakistan

July 14<sup>th</sup>, 2022 - A much-awaited staff level agreement was announced by the IMF on July 13, however, the statement carried dour warnings of significant challenges ahead.

## S&P downgrades outlook on Pakistan's long-term ratings to 'negative'

July 29<sup>th</sup>, 2022 - Rating agency Standard and Poor's (S&P) has revised the outlook on Pakistan's long-term ratings from "Stable" to "Negative" on the increasing risk to the government's liquidity posed by a difficult external landscape.

## LatAm credit risk spikes on higher rates, political challenges

July 06<sup>th</sup>, 2022 - Latin American credit risk rose in the second quarter of 2022 as higher interest rates and looming political risks add up to a challenging outlook for regional economies.

## Rupee fall to continue till IMF fund realization: Pakistan's top bank

July 31<sup>st</sup>, 2022 - Pakistani Rupee likely to continue its falling spree until the country receives funds from the International Monetary Fund (IMF), according to an analyst briefing by the Habib Bank of Pakistan (HBL), the top bank of the country.

## Bank of America is fined \$225 million for mishandling pandemic unemployment benefits

July 14<sup>th</sup>, 2022 - Two federal regulators fined Bank of America \$225 million on Thursday for mishandling prepaid debit card accounts used by a dozen states to distribute unemployment benefits during the pandemic, and the bank must compensate people for damages, an amount likely to total hundreds of millions more, federal officials said.

# OPERATIONAL RISK NEWS

## Auditing with inflation on the rise

July 26<sup>th</sup>, 2022 - The UK inflation rate hit 9.4% in July 2022, and is rising. This presents a challenge to management and auditors alike.

## Six UAE banks face financial sanctions for non-compliance

July 28<sup>th</sup>, 2022 - At least six banks operating in the UAE are facing financial sanctions for failure to comply with reporting standards, the central bank revealed on Thursday.

## Central bank, companies clash over Turkey's new loan rules

July 29<sup>th</sup>, 2022 A big Turkish business group and the central bank clashed on Friday over recent regulations covering loans, with the Istanbul Chamber of Industry's (ISO) head saying the measures create "irredeemable" problems.

## Online financial transactions in Bahrain jump 55%

July 08<sup>th</sup>, 2022 - A significant spike in online payments for government services has been noted in the results of the Information and eGovernment Authority (iGA) channels' performance during the first half (H1) of 2022.

## National Bank of Bahrain announces new 0% credit card campaign

July 27<sup>th</sup>, 2022 –The National Bank of Bahrain (NBB) has launched a balance transfer campaign that will enable customers to transfer their other banks' card outstanding balances at 0% interest for an introductory period from July to December 2022.

## Saudi banks must focus on ESG compliance to lower risks

July 27<sup>th</sup>, 2022 - Saudi banks have started to prioritize adopting environment, social and governance programs.

## Iran's treasury sees 580% rise in March-July oil and condensates income -minister

July 26<sup>th</sup>, 2022 - Iran's income from oil and condensates exports is 580% higher in the first four months of the Iranian year (March 21 to July 21) compared with the same period a year ago, the Iranian economy minister said on Tuesday.

## Fed hikes interest rates by 0.75 percentage point for second consecutive time to fight inflation

July 27<sup>th</sup>, 2022 - The Federal Reserve on Wednesday enacted its second consecutive 0.75 percentage point interest rate increase as it seeks to tamp down runaway inflation without creating a recession.

## New banking rules have come into effect in Canada. These are the important changes

July 08<sup>th</sup>, 2022 - New rules came into effect late last month to create stronger consumer protections when it comes to Canada's banking system, but some advocates said the new regulations don't go far enough.

## Bangladesh Bank announces new measures to ease strain on forex reserves

July 15<sup>th</sup>, 2022 - Bangladesh Bank has made several policy changes in a bid to ease the pressure on the country's foreign exchange reserves amid a global economic crisis.

## CAF approves a USD 120 million loan to boost digital transformation in Trinidad and Tobago

July 19<sup>th</sup>, 2022 - The loan will support the implementation of Trinidad and Tobago's digital transformation and inclusion strategy.

## Malta's Removal From The FATF Grey List

July 27<sup>th</sup>, 2022 - Malta's inclusion on the Financial Action Task Force (FATF)'s list of Jurisdictions under Increased Monitoring (also known as they 'grey list') in June 2021 raised quite a few eyebrows in the local financial services sector.

# ABOUT BENCHMARKIX

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## RISKCHECK

RiskCheck Operational Risk newsletter is published monthly. It keeps you abreast with the latest news, events and external risk exposures which could potentially impact your organization. Both national as well as international potentially high risk events are covered in this newsletter.

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