

DFSA BOARD OF DIRECTORS

Summary of Outcomes

The DFSA Board of Directors (Board) met in Dubai on **25 October 2017**.

Presentation on the Dubai Mercantile Exchange (DME)

The Chairman and the Managing Director of the DME delivered a presentation to the Board on the DME's activities, performance, and strategy.

Presentation on the GCC Economic Environment

The Policy and Strategy Division provided an overview to the Board of the economic environment within the GCC.

The Chairman's Overview

The Chairman briefed the Board on the results of the review of memberships of the Board's Committees. Ms Julie Dickson joined the Legislative Committee and the Audit Committee and Ms Swee Lian Teo joined the Governance and Nominations Committee and the Risk Committee.

The Chairman reported on meetings with the retiring Chairman and the new Chairman of the French Securities Regulator, Autorité des Marchés Financiers, as well as with the Chairman of the European Securities and Markets Authority and the Honorary Governor of Banque de France, at the end of September 2017.

The Chairman provided an overview of recent meetings held in Washington and New York during October 2017, when the Chairman travelled to the US to attend the IMF/World Bank meetings, together with the DFSA's Director of International Relations. Board member, Dr J Andrew Spindler, also joined the meetings.

Chief Executive's Report

The Chief Executive reported on key policy matters, as well as general regulatory and internal DFSA matters.

The Chief Executive briefed the Board on the Senior Executive Officer Roundtable held in September 2017.

The Chief Executive reported that the Innovation Testing Licence had been launched and had received a good response. He informed the Board that the DFSA continues to support the DIFC's FinTech Hive by assisting firms to progress through the Hive and potentially obtain an Innovation Testing Licence.

The Managing Director of the Policy and Strategy Division provided an update to the Board on the Hive Accelerator Program. He reported that a number of the participants in the program are likely to be providing a financial service and would, therefore, need to be regulated by the DFSA if they wanted to continue operating from the DIFC. He also reported that there is a strong pipeline of approximately fifty firms that have expressed an interest in applying for an Innovation Testing Licence. These include robo-advisory firms, crowdfunding firms and payment-processing firms.

International Matters

The Director of International Relations provided an update on the forward plan for future international engagements.

2018/2019 Business Plan

The Chief Executive presented the 2018/2019 Business Plan for Board members' comments, prior to it being presented for approval at the December 2017 Board meeting.

Presentation on the UAE FATF Mutual Evaluation

The Supervision Division delivered a presentation to the Board on preparations for the forthcoming FATF Mutual Evaluation.

Update on Risk Tolerance on Cryptocurrencies

The Managing Director of the Policy and Strategy Division presented a paper to the Board on cryptocurrencies, as a follow up to a presentation delivered to the Board in September 2017 on this topic. The paper considered the risks presented by the use of cryptocurrencies. The Managing Director of the Policy and Strategy Division also provided examples of existing activities incorporating cryptocurrencies in the DIFC.

Committee Activity

The Chair of the Legislative Committee invited the Board to approve and make proposed legislative reforms on which the Executive sought public comment through Consultation Paper 113: Banking Capital Requirements Review, and Consultation Paper 114: Liquidity Requirements Review.

The Chair of the Legislative Committee also reported that the Committee had approved the issue of Consultation Paper No. 115 dealing with proposed enhancements to the DFSA's Funds regime, and invited the Board to confirm its approval, which it duly did.

There were no meetings of the Remuneration Committee, the Risk Committee, the Governance and Nominations Committee and the Emirati Working Group.

The next meeting of the Board will be in Dubai on 6 December 2017.

