

U.S. DEPARTMENT OF THE TREASURY

Press Center



Chairman's Summary of Outcomes From The U.S.-Gulf Public-Private Banking Dialogue

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WASHINGTON - On June 2, the U.S. Department of the Treasury hosted a public-private dialogue on correspondent banking with the Central Banks of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. This meeting was a follow-up to the November 4-5, 2015 dialogue held at the Federal Reserve Bank of New York. This dialogue provides a forum for senior government officials, regulators, and bank executives from the United States and the Gulf Cooperation Council (GCC) countries to discuss banking relationships and implementation of global anti-money laundering/countering the financing of terrorism (AML/CFT) standards. This meeting is yet another demonstration of the close working relationships between the United States and the Gulf countries, and highlights the important political, economic, and financial ties between us.

Treasury Assistant Secretary for Terrorist Financing, Daniel Glaser, chaired the frank and constructive dialogue, which included over 50 representatives from the public and private sectors of seven jurisdictions. The event featured remarks by Treasury Under Secretary for International Affairs Nathan Sheets, Saudi Arabian Monetary Agency Governor Dr. Ahmed Al-Kholifey, Governor of the Central Bank of Bahrain Rasheed Mohammed al-Maraj, Governor of the Central Bank of Kuwait Mohammad Y. Al-Hashel, Governor of the Central Bank of Oman Hamood Al-Zadjali, Governor of the Central Bank of the UAE Mubarak Al-Mansoori, and Deputy Governor of the Central Bank of Qatar Sheikh Fahad bin Faisal Al-Thani. Participants also included representatives from the U.S. federal regulatory agencies, including the Office of Foreign Assets Control (OFAC), the Office of the Comptroller of the Currency (OCC), the Financial Crimes Enforcement Network (FinCEN), the Federal Reserve Bank of New York, and the board of governors of the Federal Reserve system.

The dialogue advanced the conversations started in November 2015 and largely focused on issues related to implementation of AML/CFT standards and maintenance of the cross-border correspondent banking relationships. Participants shared public and private sector perspectives on the money laundering and terrorist financing risks facing jurisdictions and institutions.

Participants acknowledged the progress and ongoing interconnectedness of U.S. and Gulf financial institutions. Additionally, participants acknowledged and agreed to further explore key issues, such as provision of banking services to the charity sector, money service businesses, exchange houses, and smaller banks.

Public and private sector representatives also heard directly from the Office of Foreign Assets Control regarding U.S. sanctions programs on Sudan and Iran. This dialogue facilitated a more nuanced and comprehensive understanding of regulatory standards, the risk-based approach, and AML/CFT expectations related to correspondent banking.

Participants committed to developing an action plan that outlines next steps and promotes continued cooperation and dialogue on these issues.

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