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furthering aspirations

Targeted Financial Sanctions
Act Within 24 Hours

A confirmed name match isn't a compliance event. It's a countdown — and the UAE's July 2025 guidance reset several of the clocks.

The question has changed

Policy is no longer the test. *Speed is.*

“

When a confirmed sanctions match surfaces on a screening system, the question is no longer *whether the firm has a policy.* It's whether the firm can act within 24 hours.

Guidance refreshed — July 2025
The **Executive Office for Control & Non-Proliferation (EOCN)** updated its Targeted Financial Sanctions guidance in July 2025.

Familiar architecture, shifted details
The framework is recognisable — but **several operational details have moved** in ways that change day-to-day practice.

Who should care
Anyone **holding client funds** or **facilitating transactions** — the shifts land directly on operations, not just policy documents.

Cabinet Decision No. 74 of 2020

These obligations do not stop at banks

Every **Financial Institution, DNFBP and Virtual Asset Service Provider** in the UAE is bound — and so, in fact, is **every natural and legal person.**

DNFBP
Real estate brokers

Bound the moment a screening match surfaces in a deal.

DNFBP
Precious metals dealers

High-value goods bring the full TFS regime with them.

DNFBP
Service providers

Formation and nominee work sits squarely in scope.

DNFBP
Law firms

Bound the moment a screening match surfaces in a deal.

FI
Financial institutions

Banks, exchange houses, insurers — the traditional core.

VASP
Virtual asset providers

Crypto custody and exchange fall under the same regime.

For these businesses, the obligation is identical to a bank's — even where the compliance machinery is considerably lighter.

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The framework reduces to four moves

Four obligations, one unbroken chain

01

Register EOCN · NAS

Enrol with the EOCN's **Notification Alert System** so designations reach you the moment they land.

02

Screen CONTINUOUS

Screen **continuously against the in-scope lists** — clients, transactions and counterparties alike.

03

Freeze WITHOUT DELAY

Freeze without delay on a confirmed match — the 24-hour clock starts at confirmation.

04

Report GOAML

File through **goAML** — the action isn't complete until the regulator has the report.

The chain only works if every link holds. A firm that screens diligently but reports late has still failed.

The distinction that defeats global tools

Only two lists are in scope

TRIGGERS TFS

In Scope

UAE Local Terrorist List
Domestic designations issued by the UAE Cabinet.

UNSC Consolidated List
United Nations Security Council designations.

A match here triggers the **full TFS regime** — freeze, report, retain.

OUTSIDE CD 74

Not In Scope

OFAC / EU / UK HMT
Foreign designations do not trigger the UAE freeze duty.

INTERPOL notices
Sit entirely outside Cabinet Decision No. 74.

These may still warrant a **suspicious activity report** or a conversation with the supervisory authority.

This one distinction quietly defeats firms running global screening tools out of the box.

Diarise these — or get caught

The clocks that govern everything

24 HOURS

To freeze a confirmed match

The regulator's operative meaning of **"without delay."**

5 BUSINESS DAYS

To file the report

After taking action — the filing window, **not** a grace period.

10 BUSINESS DAYS

To resolve a partial match

To obtain identification — after which the transaction **must be rejected.**

5 YEARS

Record retention

And the **look-back period** on prior dealings with a designated party.

These are not aspirational targets. They are the line between good-faith compliance and exposure.

Every screening alert resolves into one of four outcomes

Freeze, suspend, or stand down

REPORT DUE	REPORT DUE	NO DUTY	NO DUTY
Confirmed match	**Partial match**	**False positive**	**Negative**
Identity established	Cannot be resolved	Resolved internally	No match at all

CONFIRMED MATCH

Freeze the assets

FILE → CONFIRMED NAME MATCH REPORT

Freeze and file. The freeze has **no expiry** — it lifts only on delisting or an explicit **EOCN cancellation.**

Permanent until lifted — there is no quiet release.

UNRESOLVED PARTIAL

Suspend the transaction

FILE → PARTIAL NAME MATCH REPORT

Suspend and file. **Hold that position** until the EOCN rules which way the match falls.

EOCN decides — the firm does not resolve it alone.

The ownership tests reward close reading

Where ownership becomes a trap

>50%

Designated person holds more than half

DESIGNATED HOLDER OTHERS

The **entire entity's assets** come into scope for freezing — the company is treated as the designated person's.

Freeze the **whole entity.**

≤50%

Holding at half or below

DESIGNATED HOLDER OTHERS

The entity itself is **not** automatically in scope — but **any funds owed to that person must still be frozen.**

Freeze **what's owed** — and **watch the cap table** for movement.

Beyond the percentage

Control outranks ownership

A **minority** holder who **controls** the entity triggers a freeze — **regardless of percentage.**

The shareholding may sit below every threshold. If control exists, the freeze duty exists with it.

Voting agreement

Votes pledged by contract concentrate decision power.

Power of attorney

Authority to act in the owner's name is control in fact.

Signatory rights

Whoever signs moves the money — percentage aside.

But control must be evidenced through documentation — the guidance is explicit that freezing on suspicion alone is not permitted.

The headline is terminology — the substance sits elsewhere

What changed in July 2025

01	RENAMED	**Funds Freeze Report → Confirmed Name Match Report** The headline change — new name, same freeze-and-file duty underneath.
02	REWRITTEN	**Partial Name Match procedures** Rewritten with worked examples — the grey zone now comes with a map.
03	CLARIFIED	**Weekends & public holidays** Where a firm is closed and clients cannot access assets, the obligation waits at the door — and applies from the first minute business resumes.
04	SPUN OUT	**Grievance procedures** Now a standalone guide — separated from the core TFS guidance.

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A persistent point of confusion — now settled

Telling the customer: timing is everything

BEFORE THE FREEZE

A word before

Notifying the customer before the freeze is in place gives them the chance to move assets out of reach.

= Tipping off

AFTER THE FREEZE

A word after

Notifying a customer that their assets have been frozen is permitted — provided it happens after the freeze is in place.

= Permitted

Same sentence, opposite outcomes — the freeze comes first, the conversation second.

Non-compliance carries criminal exposure

The cost of being late

1–7 years

IMPRISONMENT

AED 50K–5M

FINES

Licence

CANCELLATION — ATOP SUPERVISORY MEASURES

The counterweight is meaningful: **good faith is a shield**

A firm acting in good faith is shielded from liability for the freeze. The protection is real — but it belongs to the firm that acts. For the one that hesitates, **the clock is already running.**

IS YOUR FIRM READY BEFORE THE CLOCK STARTS?

From NAS registration and screening-scope reviews to freeze procedures, goAML reporting and ownership-and-control analysis — MCA Gulf helps FIs, DNFBPs and VASPs turn the EOCN's expectations into working practice.

FOR A WORKING SESSION
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Drawn from the EOCN Guidance on Targeted Financial Sanctions for FIs, DNFBPs and VASPs, last amended July 2025. This material is a general summary and not legal advice.