WITH THE PARTICIPATION OF THE U.S. DEPARTMENT OF THE TREASURY

HOSTED BY FEDERAL RESERVE BANK OF NEW YORK

US-MENA PRIVATE SECTOR DIALOGUE (PSD) 2026

MENA BANKS UNDER CURRENT U.S. REGULATORY FOCUS
CHALLENGES AND OPPORTUNITIES

TREASURY PRIORITIES, SECONDARY SANCTIONS,
FINANCIAL INTEGRITY & THE FUTURE OF CORRESPONDENT BANKING



NOVEMBER 9TH, 2026 @ THE FEDERAL RESERVE BANK OF NEW YORK

U.S.–MENA

PUBLIC

PRIVATE

SECTOR

DIALOGUE

2026



Union of Arab Banks

Celebrating a 20 – Year Milestone
2006 – 2026

BACKGROUND

Twenty Years of U.S.–MENA Public–Private Dialogue

The year 2026 marks an important milestone for the U.S.–MENA Public–Private Sector Dialogue (PSD): celebrating 20 years of sustained engagement, consistency and close cooperation between the Union of Arab Banks, U.S. authorities and financial institutions.

Launched in 2006, the PSD has developed into an established platform for direct dialogue between the Arab banking community and U.S. financial authorities. Over the past two decades, UAB has maintained the initiative in close cooperation with the Federal Reserve Bank of New York, bringing together policymakers, regulators, central banks, financial institutions and senior compliance professionals from the United States and the MENA region.

This continuity is significant. It reflects a shared commitment to dialogue, mutual understanding and financial integrity throughout a period of substantial change in the international banking and regulatory environment.

Building on this record, the Union of Arab Banks, in cooperation with the Federal Reserve Bank of New York and with the participation of the U.S. Department of the Treasury, will convene the 20th edition of the U.S.–MENA Public–Private Sector Dialogue under the theme:

MENA Banks under Current U.S. Regulatory Focus:
Challenges and Opportunities

The 20th anniversary provides an opportunity to reflect on two decades of dialogue, but more importantly to look ahead and consider how the U.S.–MENA financial relationship should evolve in response to changing regulatory priorities, geopolitical shifts and technological change.

For MENA banks with ties to the U.S. financial system, the operating environment is becoming more complex. Evolving U.S. Treasury priorities and regulatory expectations, sanctions policy and enforcement, financial-crime risks, geopolitical developments and advances in financial technology are reshaping how regional banks manage their U.S. relationships and cross-border activity.

U.S.–MENA PUBLIC PRIVATE SECTOR DIALOGUE 2026





The 20th PSD will provide a high-level and practical forum for direct discussion between U.S. authorities and the Arab banking community. Its purpose is to provide greater clarity on U.S. expectations, address specific regional challenges, and identify workable approaches that strengthen financial integrity while supporting sound correspondent banking relationships and legitimate trade and investment.

The conference discussions will focus on three core areas:

1. Current US Treasury approach to MENA region sanctions: What MENA Banks Need to Know

This session will examine the priorities and expectations of the U.S. Treasury Department and related regulatory authorities with respect to financial institutions operating in or connected to the MENA region.

The discussion will cover sanctions compliance, AML/CFT, terrorist financing, beneficial ownership, financial-crime risks and correspondent banking. A central issue will be the practical application of risk-based due diligence to complex customer and transactional relationships, including ownership and control, transaction purpose, and exposure to higher-risk counterparties or jurisdictions.

The session will also consider indirect exposure to sanctioned persons, entities or prohibited activity through intermediaries, front companies, opaque ownership structures, third-country transactions and other arrangements that may conceal relevant parties or the purpose of financial activity.

The objective is to translate current U.S. policy and regulatory priorities into clear, practical considerations for MENA banks, while strengthening transparency, mutual understanding and confidence between U.S. and regional financial institutions.

Areas of Discussion

- Evolving U.S. Treasury priorities and regulatory expectations for MENA banks.
- Sanctions compliance, AML/CFT, terrorist-financing risks and beneficial ownership transparency.
- Risk-based due diligence for complex customers, transactions and higher-risk counterparties.
- Managing indirect sanctions exposure through intermediaries, opaque ownership structures and third-country transactions.

U.S.–MENA
PUBLIC
PRIVATE
SECTOR
DIALOGUE
2026









2. Strengthening Financial Integrity and International Banking Connectivity across the MENA region

Many countries face common challenges relating to financial integrity, FATF requirements, sanctions exposure, beneficial ownership transparency, correspondent banking relationships and access to international financial markets.

This session will examine how MENA authorities and financial institutions can strengthen AML/CFT frameworks, enhance regulatory effectiveness and demonstrate sustained compliance progress capable of reinforcing confidence among international counterparties. It will also consider the application of proportionate, risk-based approaches that protect the financial system without unnecessarily restricting legitimate trade, investment or financial inclusion. Particular attention will be given to countries undergoing financial-sector reform, economic transition or renewed international engagement. The discussion will explore the institutional and supervisory conditions required to rebuild confidence, restore or expand correspondent banking relationships, attract legitimate investment and support responsible integration into the regional and global financial system. The session will also examine the role of U.S., regional and international institutions in supporting MENA banks through regulatory dialogue, technical assistance, capacity-building and enhanced institutional cooperation.

Discussion will also feature inter-Arab de-risking practices and the growing challenges faced by banks in maintaining correspondent banking relationships, managing cross-border transactions, and balancing regulatory compliance with the need to preserve legitimate financial connectivity across the region.

Areas of Discussion

- Strengthening AML/CFT frameworks and regulatory effectiveness across the MENA region.
- Managing sanctions exposure, beneficial ownership risks and evolving FATF requirements.
- Restoring international confidence and reinforcing correspondent banking relationships.
- Advancing responsible financial-sector reform, legitimate investment and global financial integration.

U.S.–MENA PUBLIC PRIVATE SECTOR DIALOGUE 2026





3. Digital Assets, Payments, and the New Financial Technology Landscape: AML/CFT Challenges and Opportunities.

This session encompasses digital assets, and international payment/credit card compliance issues

These developments offer significant opportunities for cross-border payments, financial inclusion, efficiency and innovation. At the same time, they raise important questions for AML/CFT, sanctions compliance, transparency, governance and financial-crime risk. The discussion will consider how MENA banks and regulators can benefit from technological innovation while maintaining effective controls against illicit finance, sanctions evasion and other misuse. It will also consider how artificial intelligence can support financial-crime detection and risk management while maintaining appropriate governance and accountability.

MENA institutions will need to remain connected to the global regulatory and technological landscape and develop the capabilities required to manage the next generation of financial-integrity risks.

Areas of Discussion

- The GENIUS Act and evolving U.S. supervisory expectations for banks engaging in digital-asset, stablecoin and tokenization activities.
- Tokenization, emerging payment technologies and the future of faster, safer and more efficient cross-border digital transactions.
- KYC, AML/CFT, sanctions compliance, transparency and financial-crime risks in the digital financial ecosystem, including risks associated with cross-border payments.
- The use of artificial intelligence in financial-crime detection and risk management, with appropriate governance and accountability.

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Expected Outcome

The 20th U.S.–MENA Public–Private Sector Dialogue is intended to be forward-looking, practical and action-oriented.

Its objective is to strengthen direct communication between U.S. authorities and MENA financial institutions; provide greater clarity regarding U.S. regulatory expectations; address shared regional challenges and differing national reform priorities; enhance the region's capacity to manage emerging financial and technological risks; and support trusted access to the U.S. and international financial systems.

After twenty years of continuous U.S.–MENA public-private dialogue, the fundamental principle remains unchanged:

Financial integrity and financial access must reinforce one another
Effective compliance, greater transparency and sustained public-private dialogue are essential foundations for trust, sound correspondent banking relationships, investment and the MENA region's continued integration into the global financial system.

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20TH ANNIVERSARY