

UAE revokes Russian bank's licence after US sanctions

● MTS gets six-month period to "wind down its operations"

● MTS Bank earned an Emirati licence last year

AFP | Dubai, United Arab Emirates

A Russian bank hit by US sanctions will be forced to cease operations in Abu Dhabi, the United Arab Emirates' central bank said yesterday.

MTS Bank, which had earned an Emirati licence last year, was among more than 200 entities and individuals targeted by a wave of sanctions last month on the first anniversary of Russia's invasion of Ukraine.

The UAE central bank said in a statement that "it has been decided to cancel MTS Bank's Abu



Representative picture showing a man coming of the MTS Bank

Dhabi licence... and close the branch" in the Emirati capital "within six months".

"This decision comes after considering the available op-

tions regarding the new status of MTS Bank, and taking into account the sanctions risks associated with the bank after the designation."

During the six-month period to "wind down its operations", the Russian bank would be barred from opening new accounts and carrying out any

transactions apart from clearing prior obligations, the central bank said.

It had announced in late February it was "studying... the available options" after the US measures.

Senior US officials visited earlier this year for talks with UAE authorities, including the central bank, on evasion of sanctions on Russia and Iran as well as money laundering and financing of groups deemed "terrorist".

The UAE has maintained a neutral stance towards Russia's war.

The oil-rich Gulf monarchy and its financial hub Dubai have attracted Russian professionals and businesspeople fleeing the impact of Western sanctions since the invasion in February 2022.

Some 1.9 million passengers flew in from Russia last year, Dubai Airports CEO Paul Griffiths told AFP in February, more than twice as many as in 2021.

The Russian influx has been linked to a boom in property and rental prices. The real estate sector accounts for about a third of Dubai's economy.



MTS Bank, a fintech unit of Russia's largest mobile operator Mobile TeleSystems (MTSS.MM), was part of a broader sanctions package against 200 entities and individuals announced in February on the first anniversary of Russia's invasion of Ukraine. Russian conglomerate Sistema (AFKS.MM) holds a 42.09% stake in MTS. Russian billionaire Vladimir Yevtushenkov last year relinquished formal shareholder control of Sistema after Britain imposed sanctions on him, transferring a 10% stake to his son.

IMF board approves \$15.6 bn Ukraine loan package

Washington, United States

The International Monetary Fund has approved a \$15.6 billion support package for Ukraine to assist with the conflict-hit country's economic recovery, the fund said in a statement yesterday.

The Russian invasion has devastated Ukraine's economy, causing activity to contract by around 30 percent last year, destroying much of its capital stock and fueling poverty, according to the IMF.

The 48-month Extended Fund Facility programme approved by the fund's board is worth roughly \$15.6 bn. It forms the IMF's portion of a \$115 bn overall support package comprised of debt relief, grants and loans by multilateral and bilat-



A local resident carries shopping as she walks past a destroyed building following a C-300 missile strike on the Ukrainian city of Kharkiv

eral institutions, the organization confirmed in a press conference Friday.

The new four-year programme aims to "anchor macro-economic and financial stability

as well as to undertake critical structural reforms as the war continues," IMF deputy managing director Gita Gopinath said in a statement.

Of the total amount approved

by the IMF, \$2.7 bn is being made available to Ukraine immediately, with the rest of the funds due to be released over the next four years.

The more "ambitious structural reforms" to support sustained growth and post-war reconstruction, as well as facilitate Ukraine's path to EU accession among other goals, will be left until active combat ends, she added.

The programme also includes additional guarantees from some IMF members in the event that active combat continues beyond the current estimate of mid-2024.

If the current conflict were to continue into 2025, it would raise Ukraine's financial needs from \$115 bn to around \$140 bn, said the IMF.

UK economy grows slightly in late 2022: official data

London, United Kingdom

The British economy performed slightly better than previously estimated in the final quarter of last year as it expanded by 0.1%, revised official data showed yesterday.

The Office for National Statistics (ONS) initially said growth had been flat in the October-December period.

Either way, the UK narrowly avoided falling into recession at the end of 2022.

"The economy performed a little more strongly... than previously estimated, with later data showing telecommunications, construction and manufacturing all faring better than initially thought," noted ONS

director of economic statistics, Darren Morgan.

He added that households saved more in the last quarter, with finances boosted by government support to pay sky-high energy bills.

"Meanwhile, the UK's balance of payments deficit with the rest of the world narrowed, driven by increased foreign earnings by UK companies, particularly in the energy sector," he added.

Oil and gas prices soared last year as supplies tightened following the invasion of Ukraine by key energy producer Russia.

Meng Wanzhou: Huawei's 'princess' claims her crown

Beijing, China

The daughter of Huawei's billionaire founder, Meng Wanzhou will take over as rotating chairwoman as the Chinese tech giant enters choppy waters, with profits plummeting under US sanctions.

The Washington-led pressure campaign has contributed to Huawei losing its top spot in the smartphone market and has throttled its supply chains.

After Huawei's yesterday's announcement that its 2022 net profits had plunged 69% compared to the previous year, Meng struck a defiant tone at a press conference.

"We might not be successful in the end, but being placed in a fatal impasse, we have no choice but to go all in and fight, with all hands on deck," she said.

The 51-year-old is not new to being on the front line of the

US-China tech war.

In 2018, she was arrested in Canada at the behest of the United States on fraud charges relating to her alleged efforts to hide violations of US sanctions on Iran involving Huawei affiliate Skycom.

She remained under house arrest in Vancouver for almost three years while fighting extradition, with the case becoming a major thorn in relations between the three countries.

She was allowed to return to China in September 2021, and in December 2022, the US Justice Department dropped all charges against her.

'Humble' beginning

Despite being internally known as Huawei's "princess", Meng is said to be approachable and self-deprecating.

According to Chinese media,

she started off as a secretary at Huawei and kept her head down for years, to such an extent that few knew her father was founder Ren Zhengfei.

This may have been aided by the fact that she took her mother's surname from a young age, for reasons that remain unclear.

Ren, a former army engineer, founded Huawei with a few thousand dollars in 1987, growing it into one of the world's leading suppliers of hardware for telecommunications networks.

"He is a CEO at work, and a father at home," Meng once said, to emphasise that competence, not connections, determined one's path at Huawei.

Huawei credits Meng for reorganising the company's financial and IT architecture, beginning in the early 2000s, so that the company could cope with its

rapid global growth.

Meng herself recounted how initially, she and other bookkeepers had to bind the company's financial records by hand each month, according to a read-out of a speech she gave at her former high school last year.

Meng will lead the company for six months until September 30.

Huawei, which is not publicly listed, has two other rotating chairs -- Eric Xu and Ken Hu.

Meng said

Friday that the company's future, as it navigates one of its roughest patches yet, would depend on its "collective leader-

ship".

"In times of pressure, we press on -- with confidence," she said.

Huawei's chief financial officer Meng Wanzhou

