



Royal Guard Commander HH Brigadier-General Shaikh Nasser bin Hamad Al Khalifa yesterday received Royal Guard affiliates who have completed their higher studies and obtained doctoral and master's degrees in various specialties. Shaikh Nasser directed them to exert more efforts in their academic and professional career in the interest of the Kingdom of Bahrain and the BDF.

Call to regulate financial technology services

Many security concerns have emerged with fintech growing substantially

● CBB has previously stated that Bahrain will encourage innovation in the fintech space but will practise caution.

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Mohammed Zafran

Regulatory bodies must add control mechanisms in response to the myriad of new financial technology services that has popped up in recent years, according to Bahrain Association of Banks (BAB).

Residents may be vulnerable to security risks if adequate regulations are not implemented to respond to the rapid development of the financial technologies (fintech) industry, suggested Adnan Ahmed Yousif, Chairman of Bahrain Association of Banks (BAB) and former president of Union of Arab Banks (UAB).

While fintech has grown substan-

tially in recent years, many security concerns have come with it. Regulators around the world have been met with the challenging task of adding regulations while not stifling innovation.

"Innovation cannot be carried out at the expense of the safety and durability of banks, or at the expense of consumer protection, so banking controls and regulatory bodies must develop control mechanisms to cope with the evolution of electronic banking operations along with its risks," said Mr Yousif.

He said that the risks are manifold. "Cyber risks are likely to increase with increased reliance on financial technology, as new technologies and business models can increase cyber risks if they are not kept up with the controls of this change.

"Relying on systems such as Application Programming Interface, Cloud computing and other new technologies that facilitate increased interconnection, make the banking system more vulnerable to cyber threats, and expose large amounts of data sensitive to potential violations. This underscores the



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MR YOUSIF

need for banks, technology companies and regulatory bodies to promote the call for effective management and control of cybercrime," he said.

"Extensive applications of financial technology will increase difficulties in meeting compliance requirements, particularly on AML / CFT obligations, if they act on behalf of clients of fintech companies. If the customer makes payments using a bank card or a bank account, the bank is to some extent

responsible for customer authentication," he added.

He noted that fintech also comes with many benefits such as it can provide enhanced access for disadvantaged groups to financial services because of the access of technology to remote areas of each country. "Innovations in financial technology also accelerate remittances and payments and reduce costs," said Mr Yousif.

He said that the development of fin-

tech could also pose a risk to bank's revenue and profitability citing estimates that between 10-40 per cent revenues, and between 20-60pc bank profits could be wiped out in 10 years after losing market share if the new entrants are able to use technological innovations more efficiently.

CBB has previously stated that Bahrain will encourage innovation in the fintech space but will practise caution. CBB has taken a number of steps to encourage innovation including introducing a regulatory sandbox, Introduction of a new license of Payment Service Provision and allowing Payment Service Providers to issue prepaid cards to allow the unbankable segment access to affordable payment services including remittance and introduction of EFTS.

Central Bank of Bahrain Governor Rasheed Al Maraj has been vocal on banks needing to adapt to the era of fintech, encouraging banks to upgrading its technologies in order to beat the competition from alternatives financial services.

Theft convict's jail term cut on appeal

● The bag contained the victim's official identifications along with an ATM card. "I directly informed the bank of the robbery to suspend my debit card," she revealed.

● The defendants were also fined BD5,000 each for their crime.

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Ali Tarif

The High Appeals Court revised the sentence issued against a Bahraini man convicted in a robbery case. He was earlier given five years in prison, but his appeal resulted in its reduction to three years.

The defendant was put on trial in connection with stealing a woman's bag. He wasn't alone accused in this case and the accomplice was also sentenced to five years in jail.

However, he opted against challenging the verdict. The robbery occurred on November 23, 2014, when the pair snatched the bag from the victim.

"I was in my mother's car when the duo on motorbike came and enquired me about a hospital's address. As I got out of the vehicle, the snatched the bag and made off on the two-wheeler," the victim told prosecutors.

The bag contained the victim's official identifications along with an ATM card. "I directly informed the bank of the robbery to suspend my debit card," she revealed.

It is said that the pair tried to use the ATM card on multiple occasions, but failed because they were typing wrong pins. The defendants were also fined BD5,000 each for their crime.

Brothers lose plea in fake bomb case

● The Fingerprints Division at the Ministry of Interior disclosed that the first defendant's fingerprints appeared on twelve positions on the device and its components.

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Ali Tarif

The Supreme Appeals Court upheld the sentence issued against two brothers convicted of making a fake bomb.

The pair earlier received three years in prison each for their crime. According to official documents, the defend-

ants placed the hoax device on a public road in Tubli to traumatise road users and people living in the area.

It is said that they made the fake explosive using a carton, matchbook, electrical wires, tape and a black bag.

The first defendant admitted to making the bomb but revealed that it was his brother who planted it.

"I made the fake bomb on our house's rooftop. But my brother planted it on the road," the first defendant told prosecutors.

The Fingerprints Division at the Ministry of Interior disclosed that the first defendant's fingerprints appeared on twelve positions on the device and its components.

The first defendant was below 18 years old when he committed the crime.

2,600 toys seized from shops

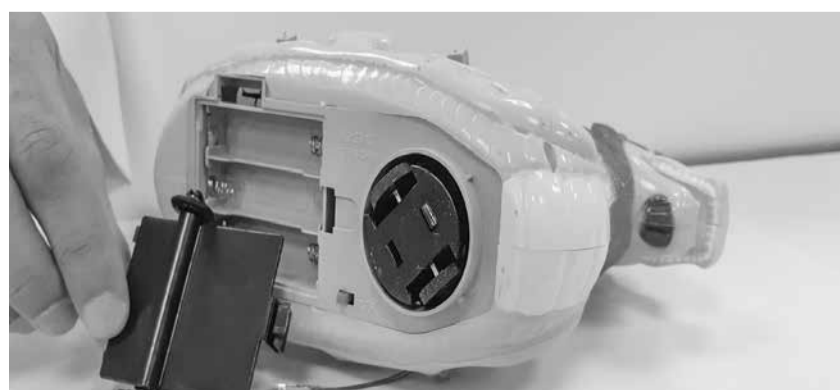
● The role of parents is important in selecting safe toys, taking into account the instructions and warnings shown on the products and the games should be selected according to the age of the child or used under their supervision, she added.

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About 2,600 toys that could possibly cause harm to children were seized by the Directorate of Standards and Metrology under the Ministry of Industry, Commerce and Tourism.

This follows inspections by different teams of the directorate to 120 shops across the Kingdom.

Directorate official Mona Alalawi indicated that during the last two months of April and May the directorate had conducted an inspection campaign



One of the toys seized from a shop.

to stop shops from selling toys that contain chemicals and are harmful to the children.

The Directorate of Standards and Metrology has called all traders to ensure importing safe toys that comply with Gulf technical regulations, she said.

The role of parents is important in selecting safe toys, taking into account the instructions and warnings shown on the products and the games should be selected according to the age of the child or used under their supervision, she added.