“Optimizing dormant account management in UAE banking: Legal gaps and proposed reforms”

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OPTIMIZING DORMANT ACCOUNT MANAGEMENT IN UAE BANKING: LEGAL GAPS AND PROPOSED REFORMS

Abstract

The management of dormant accounts and unclaimed balances is a pressing challenge in the banking sector of the United Arab Emirates (UAE), particularly given the complex regulatory landscape. This study analyzes 150 dormant accounts across five major UAE banks (Emirates NBD, First Abu Dhabi Bank, Dubai Islamic Bank, Sharjah Islamic Bank, and Abu Dhabi Commercial Bank) and identifies gaps in the legal framework, including the absence of clear definitions and handling of non-monetary assets.

The study investigates the legal framework governing dormant accounts, specifically focusing on the Dormant Accounts System No. 1 of 2020. The results highlight critical issues, including the lack of clear timelines for transferring unclaimed balances and inconsistencies in communication protocols for notifying account holders. Furthermore, the study emphasizes the need for standardized practices across financial institutions in the UAE.

To address these challenges, the study proposes legislative amendments to improve asset management and consumer protection. Key recommendations include establishing standardized definitions, implementing automated tracking systems for dormant accounts, and integrating dormant balances into social welfare programs to enhance public trust. These reforms could significantly improve operational efficiency and legal clarity in the UAE banking sector, contributing to a more transparent and effective management of dormant accounts and unclaimed balances.

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INTRODUCTION

The management of dormant accounts and unclaimed balances has emerged as a critical issue in the banking sector, particularly in the context of the United Arab Emirates (UAE). As financial institutions navigate a rapidly evolving economic landscape, the challenge of managing inactive accounts poses significant operational and regulatory concerns. Dormant accounts are often the result of various factors, including the account holder's absence, death, or simply a lack of engagement with banking services. These accounts, while inactive, represent substantial financial resources that cannot be utilized by banks until reclaimed by their rightful owners.

In the UAE, the regulatory landscape surrounding dormant accounts is primarily governed by the Dormant Accounts System No. 1 of 2020. However, this framework reveals several critical gaps that hinder ef-

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fective management. The absence of a clear definition of dormant accounts and the lack of established timelines for transferring unclaimed balances to the Central Bank contribute to ongoing ambiguity. Additionally, the regulatory framework does not adequately address non-monetary assets, such as securities and precious metals, which complicates the management process for financial institutions.

1. LITERATURE REVIEW AND HYPOTHESES

Dormant accounts and unclaimed balances are an increasingly significant concern for the banking sector in the United Arab Emirates (UAE), given their potential impact on operational efficiency and regulatory compliance. These accounts, which result from inactivity over extended periods, represent a substantial amount of financial and non-monetary resources that are not actively managed or utilized. The issue of dormant accounts and unclaimed balances presents a significant concern for financial institutions globally, particularly in regions where legal frameworks lack clarity or comprehensive policies for management. Effective management of these dormant accounts is crucial, as it impacts operational efficiency, regulatory compliance, and overall financial stability. In response to these challenges, UAE banking authorities introduced the Dormant Accounts System No. 1 of 2020. However, the system has faced criticism for its lack of clarity and limited scope, particularly regarding non-monetary assets. This research seeks to analyze the existing framework and recommend enhancements to improve the management of dormant accounts within the UAE banking system.

The issue of dormant accounts and unclaimed balances presents a significant concern for financial institutions globally, particularly in regions where legal frameworks lack clarity or comprehensive policies for management. Effective management of these dormant accounts is crucial, as it impacts operational efficiency, regulatory compliance, and overall financial stability. This literature review explores global practices, regulatory challenges, and legal solutions, focusing specifically on the implications for the UAE banking sector. Definitions of dormant accounts vary significantly across jurisdictions, complicating efforts to establish standardized regulations. Developed markets, including the United States and European Union nations, often define dormant accounts based on inactivity periods that typically range from one to three years, depending on the account type. In contrast, many emerging markets, particularly within the Gulf Cooperation Council (GCC) region, exhibit ambiguous definitions or a lack of comprehensive legislation. This disparity leads to significant variations in how financial institutions manage dormant accounts (Mutar, 2017). Such inconsistencies hinder effective management and create challenges for multinational institutions navigating multiple regulatory environments. A comparative approach reveals that while mature markets have developed detailed policies for identifying and managing dormant accounts, many emerging economies are still grappling with the foundational regulatory framework necessary for effective asset management (Casu et al., 2015).

Robust legal frameworks are essential for effective management of dormant accounts, as evidenced by the U.S. Uniform Unclaimed Property Act (UUPA), which provides structured processes for transferring unclaimed funds to the state while allowing original owners or their heirs to reclaim these assets (Central Bank of the U.A.E., 2020). This legislation fosters transparency and minimizes the risk of asset misuse. Conversely, the UAE's Dormant Accounts System No. 1 of 2020 is a recent development facing implementation challenges, including ambiguity surrounding non-monetary assets like securities and precious metals (Ra. Airout & Ru. Airout, 2017; Al-Shammaa, 2009). The absence of a standardized definition of dormancy further complicates the transfer of funds to the Central Bank, undermining the overall effectiveness of the legislation (Erniyazov, 2023).

A comparative analysis of legal frameworks across different jurisdictions reveals significant insights into how legal structures can both support and hinder progress toward sustainable development and social governance. For instance, Dhali et al. (2023) indicate that Bangladesh and Nigeria have made strides toward Sustainable Development Goal 7 through their oil and gas legal frameworks, yet improvements are necessary for holistic energy sustainability. Emerging concepts, such as the right to work offline, highlight the evolving role of legal frameworks in promoting employee wellbeing (Kolomoets et al., 2023). In Malaysia, a comparative legal analysis between Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) frameworks shows that both assessments are critical for achieving sustainable development, even though EIA is more developed (Suaree et al., 2023). Similarly, Sidayang et al. (2023) explore the alignment of Indonesia's legal framework on gender-based violence with international standards, identifying existing gaps and proposing solutions.

Implementing uniform regulatory frameworks faces significant challenges due to the diverse and complex nature of the domains involved, including artificial intelligence (AI) and trauma research. Rakha (2023) outlines the difficulties in regulating AI, highlighting concerns over ethics, privacy, and the balance between innovation and risk. Similarly, McGuire et al. (2023) address the unique hurdles in standardizing regulations for psychedelic medicines, where traditional clinical trial frameworks clash with non-medical use and state/local regulations. In the field of trauma research, Price et al. (2023) reveals the complexities of conducting research in emergency settings, emphasizing the tension between protecting human subjects and advancing medical knowledge. Hacker (2023) offers insight into the European Union's AI Act, illustrating the challenges of reconciling sectoral regulatory approaches with the need for a cohesive strategy. Together, these papers underscore the multifaceted challenges in developing and implementing uniform regulatory frameworks across different domains, driven by the need to balance innovation, safety, and ethical considerations.

The complexity of regulating cross-border issues and jurisdictional conflicts is also evident in diverse fields such as cryptocurrency and sustainable management of natural resources. Wiwoho et al. (2023) highlight the regulatory challenges Southeast Asian countries face in harmonizing counter-terrorist financing measures against the use of cryptocurrency by terrorist groups, emphasizing the need for international cooperation and standardization. Similarly, Mohamed et al. (2023) discuss the difficulties in managing sustainable mangrove ecosystems in Zanzibar, highlighting the importance of integrated approaches that consider both local and global perspectives.

France offers a different model through its Dormant Accounts and Life Insurance Contracts Law No. 617 of 2014, which mandates that dormant accounts be identified and managed according to strict guidelines, with unclaimed funds eventually transferred to the state for public use after a specified period (Légifrance, 2014). This approach not only provides clarity for financial institutions but also ensures that unclaimed balances serve a social purpose, which could be a valuable model for countries like the UAE, where social welfare initiatives are gaining prominence.

Despite these structured approaches in some countries, many jurisdictions still struggle with managing dormant accounts due to legal and operational challenges. The legal ambiguity surrounding dormant accounts often results in confusion and inconsistency in their management, as observed in many emerging markets. The lack of judicial precedents in handling disputes over dormant accounts adds to the complexity, leaving financial institutions without clear legal guidance Rana et al. (2023). Furthermore, many banks hesitate to take proactive steps in identifying and resolving dormant accounts due to concerns over compliance costs and potential legal risks (Ra. Airout & Ru. Airout, 2017). The introduction of automated tracking and management systems could mitigate some of these concerns by enabling banks to identify dormant accounts early in the process, thereby reducing the administrative burden (Central Bank of the U.A.E., 2020).

One major area of concern is the treatment of non-monetary dormant assets, such as securities, precious metals, or other financial products. Many legal frameworks focus primarily on cash deposits, leaving a significant gap in regulations for more complex financial assets. This gap creates uncertainty for banks, which must decide whether to apply the same rules to these assets or develop separate procedures (Erniyazov, 2023). In countries like the UAE, where wealth management and investment services are rapidly expanding,

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the lack of clarity on how to handle non-monetary dormant assets could lead to significant operational risks. Moreover, this regulatory gap may undermine consumer trust, particularly among high-net-worth individuals who expect their assets to be managed according to the highest legal and ethical standards.

The role of technology in managing dormant accounts has been a focus of recent research. Digital transformation offers promising solutions for the efficient management of dormant accounts, with predictive analytics and automated tracking systems enabling banks to monitor account activity and detect signs of dormancy before accounts become inactive (Tran et al., 2023). The use of cloud computing and blockchain technology further enhances the transparency and security of these processes, making it easier to track and manage unclaimed balances across different financial products and jurisdictions (Rana et al., 2023). However, the integration of these technologies raises new legal and ethical concerns, particularly regarding data privacy and security, which must be addressed through comprehensive regulatory frameworks.

Despite significant progress in developing regulatory frameworks for dormant accounts, several unresolved issues remain. There is a lack of consensus on how to handle dormant accounts that contain non-monetary assets, such as securities or precious metals. While some scholars argue that these assets should be treated the same as cash deposits, others suggest that they require a separate legal framework due to their unique characteristics (Casu et al., 2015). Additionally, more research is needed on the role of technology in managing dormant accounts. Automated systems could significantly reduce the administrative burden on banks and ensure that dormant accounts are identified and managed more efficiently. However, the potential legal and ethical implications of using such systems have not been fully explored. Future studies should examine how technology can be integrated into the legal framework for managing dormant accounts while also protecting the rights of account holders.

The purpose of this study is to critically analyze the legal framework governing dormant accounts and unclaimed balances in the UAE, focusing on identifying gaps and proposing legislative amendments to improve the management and utilization of these funds for both financial institutions and account holders, while ensuring compliance with international standards.

Research hypotheses are as follows:

H1: *The current legal framework for managing dormant accounts in the UAE does not adequately address the complexities of non-monetary assets, leading to operational inefficiencies.*

H2: *The implementation of automated tracking systems for dormant accounts will significantly reduce the administrative burden on banks and improve the efficiency of dormant account management.*

H3: *The integration of unclaimed balances into social welfare programs will enhance public trust in the banking system, provided that the legal rights of original account holders are sufficiently protected.*

2. METHODS

This study employs a descriptive and analytical research methodology to examine the legal and operational aspects of dormant account management and unclaimed balances in the United Arab Emirates (UAE). The research uses both primary and secondary data sources, including legal texts, case studies, and regulatory documents. The study focuses on 21 major governmental and commercial banks in the UAE (Table A1), highlighting the need for a unified approach to managing dormant accounts across institutions. Table A1 provides a comprehensive list of banks covered in this research, including information on their headquarters and trading symbols, which helps contextualize the scope of the issue within the UAE's banking landscape.

To assess the current legal framework, data were collected from 150 dormant accounts across five leading UAE banks: Abu Dhabi Commercial Bank, Emirates NBD, Dubai Islamic Bank, Sharjah Islamic Bank, and First Abu Dhabi

Bank. A qualitative content analysis was used to identify regulatory gaps, focusing on asset classification, retention periods, and communication protocols. The research also incorporates a comparative legal analysis with international frameworks, particularly the U.S. Uniform Unclaimed Property Act (UUPA) and France's Dormant Accounts Law, to benchmark UAE practices against global standards.

The management of dormant accounts varies significantly across banks in the United Arab Emirates (UAE). For a comprehensive understanding of the institutional context, a list of the major governmental and commercial banks operating in the UAE is provided in the appendix. This categorization identifies key institutions relevant to the study and serves as a basis for evaluating dormant account management practices.

The methodology focuses on understanding and evaluating relevant legal provisions, including existing legislation and proposed amendments. A comprehensive legal analysis approach is utilized to examine key legislative acts, particularly the Dormant Accounts System No. 1 of 2020, along with associated Federal Decree Laws governing the management of unclaimed financial assets in the UAE banking sector. This comparative analysis aims to identify potential areas for improvement within the UAE's legal context, benchmarking against well-established systems for managing dormant accounts and unclaimed balances.

The theoretical foundation of the research is rooted in banking law, property rights, and fiduciary duty theories. The study explores various theoretical perspectives regarding financial institutions' obligations to safeguard dormant accounts, ethical considerations related to unclaimed balances, and the role of central banking authorities in managing these funds. This theoretical framework is supported by a thorough review of literature from both local and international sources.

In addition to the legal analysis, the study employs documentary and content analysis methods to review key legislative texts. These methodologies facilitate a detailed examination of the language and provisions within relevant laws. The study integrates a comparative legal methodology to highlight contrasts between the UAE's regulatory framework and those of other countries, particularly in areas such as the clarity of retention periods for unclaimed funds and the handling of non-monetary assets.

Where statistical data are available, such as the number of dormant accounts or the volume of unclaimed balances within financial institutions, basic statistical procedures are employed to contextualize the scope of the problem. However, detailed descriptions of these procedures are omitted, as they are widely understood within legal and banking research. Instead, the focus remains on the interpretative analysis of the data, which aids in understanding the practical implications of dormant accounts for banks and regulators.

The study also utilizes secondary sources, including scholarly articles, books, and legal commentaries, to establish a broader theoretical framework. These sources contribute to a deeper understanding of the legal and regulatory challenges surrounding dormant accounts, as well as the ethical and operational concerns involved in managing unclaimed balances. The legal analysis draws on reputable sources in commercial law, financial regulation, and banking operations, ensuring a comprehensive exploration of the subject matter. The study references legal precedents and case law, where applicable, to illustrate how dormant accounts have been handled both in the UAE and internationally.

Ultimately, the methodology aims to identify gaps in the current legal framework and propose legislative amendments that would enhance the management, regulation, and utilization of dormant accounts and unclaimed balances. These amendments are grounded in the comparative legal analysis and theoretical underpinnings of property rights and fiduciary responsibility. By synthesizing legal analysis with practical recommendations, this study seeks to contribute to the ongoing development of the UAE's financial regulatory landscape, ensuring that dormant assets are managed in a manner that benefits both account holders and the financial system.

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3. RESULTS

The analysis revealed critical gaps in the UAE's legal framework governing dormant accounts and unclaimed balances. First, the absence of a standardized definition for dormant accounts creates ambiguity, making it difficult for banks to apply consistent management practices. The study found that the current regulations inadequately address non-monetary dormant assets, such as securities and precious metals, which remain in a legal grey area. This gap leads to operational inefficiencies and potential financial risks for banks.

A thorough analysis of the Dormant Accounts System No. 1 of 2020 identified critical gaps and ambiguities that affect the effective management of dormant assets. While certain bank accounts are addressed, the legislation does not encompass the broad spectrum of financial and non-monetary assets that can become dormant, such as securities, precious metals, and safety deposit boxes. This gap necessitates more inclusive legislation that considers various asset types and their unique characteristics. Furthermore, it was found that there is no defined retention period for unclaimed funds held by the Central Bank. The absence of a specific timeframe for managing or releasing these balances creates ambiguity for financial institutions and account holders alike. This lack of clarity may lead to uncertainties in managing dormant accounts and poses risks regarding the proper utilization of these assets or their return to rightful owners.

Table 1, which categorizes the banks included in the study, shows varying levels of adherence to the Dormant Accounts System No. 1 of 2020. Banks like Emirates NBD and First Abu Dhabi Bank have developed more robust systems, while smaller institutions such as Ajman Bank lack clear guidelines. The findings indicate that a more comprehensive legislative approach is needed to ensure uniformity across all financial institutions. Additionally, the study identified inconsistencies in how various financial institutions classify and manage dormant accounts across the UAE. While some banks adhere to the Dormant Accounts System No. 1 of 2020, others interpret the regulations loosely, resulting in varied practices. This inconsistency complicates the establishment of a unified approach across the banking sector and emphasizes the need for stringent regulatory oversight to ensure compliance with established standards.

The analysis also highlighted deficiencies in procedures for handling non-monetary assets. Unlike traditional bank deposits, assets such as securities and gold are not subject to clear legal provisions when they become dormant. As a result, these assets remain in a state of legal ambiguity, lacking defined protocols for their transfer to the Central Bank or relevant authorities. This indicates a significant gap in the current regulatory framework, underlining the need for additional regulations that extend beyond cash-based accounts. Another notable finding was the inadequacy of communication protocols established by the legal framework for notifying dormant account holders. Current guidelines do not sufficiently outline how banks should contact account holders, particularly when contact information is outdated or unavailable. This deficiency increases the likelihood that dormant accounts will remain inactive for extended periods, complicating asset recovery efforts. The absence of standardized communication protocols exacerbates the issue, especially for accounts with substantial financial value.

The results are summarized in Table 1, which outlines the regulatory gaps and recommended reforms.

In terms of hypothesis verification:

H1: *The current legal framework for managing dormant accounts in the UAE was found to inadequately address the complexities of non-monetary assets, confirming operational inefficiencies.*

H2: *While the study did not specifically test the implementation of automated tracking systems, it concluded that these systems could significantly reduce the administrative burden on banks, supporting the hypothesis.*

H3: *The integration of unclaimed balances into social welfare programs, while not empirically tested in this study, remains a viable*

Table 1. Summary of regulatory gaps and recommendations

Regulatory Aspect	Current Status in UAE	International Best Practice	Recommended Reform
Definition of Dormant Accounts	Ambiguous and varies by institution	Clear, standardized definitions (USA)	Develop a comprehensive legal definition
Retention Periods	No defined timelines for unclaimed funds	Defined timelines (France, USA)	Establish clear retention periods
Non-Monetary Assets	Insufficient provisions for asset management	Comprehensive asset coverage (UK)	Include non-monetary assets in legislation
Communication Protocols	Inadequate guidelines for notification	Structured protocols (Canada)	Implement standardized communication methods

recommendation that could enhance public trust in the banking system, provided that the legal rights of original account holders are adequately protected.

Collectively, these findings emphasize the urgent need for comprehensive legislative and regulatory reforms in the UAE's management of dormant accounts and unclaimed balances. The identified gaps – from legal definitions and retention periods to handling non-monetary assets and communication protocols – must be addressed to ensure a transparent and efficient banking system that protects customer rights and facilitates the proper management of unclaimed assets.

4. DISCUSSION

The results of this study reveal significant gaps in the UAE's legal framework governing dormant accounts and unclaimed balances, aligning with challenges identified in previous research both locally and internationally. A key finding was the absence of a comprehensive definition for dormant accounts, which mirrors the issues noted by Al-Shammaa (2009). The lack of clarity complicates management, particularly regarding non-monetary assets such as securities or valuables in safety deposit boxes. This indicates a pressing need for a detailed legal definition that encompasses all asset types, a change that would enhance regulatory compliance and protect consumer rights.

In comparison to international practices, the UAE's approach appears to lack the depth seen in jurisdictions like France, which has implemented legislation that explicitly defines dormant accounts and outlines comprehensive procedures for managing both monetary and non-monetary assets (Légifrance, 2014). Such comparisons suggest that the UAE could benefit significantly from adopting a more inclusive legal framework similar to France's, addressing the complexities of various asset types and ensuring efficient management across financial institutions.

Another significant issue identified in this study was the absence of a defined retention period for unclaimed funds held by the Central Bank. This finding corresponds with Kagan (2023), who highlighted that many jurisdictions, including the UAE, lack clear guidelines on the duration for which unclaimed funds should remain with financial institutions before being repurposed. The contrast with the U.S. Uniform Unclaimed Property Act (UUPA), which mandates a clear process for transferring unclaimed balances to the state after a specific period, is notable. Such a system enhances transparency and allows funds to be utilized for public benefit if they remain unclaimed. Implementing a defined retention period similar to this model could significantly improve the management of unclaimed funds in the UAE, providing clarity and reducing the risk of assets remaining idle for extended periods.

The study also highlighted deficiencies in the management of non-monetary assets, such as precious metals and securities, which are not adequately addressed within the current legal framework in the UAE. This finding resonates with Mutar (2017), who stressed the necessity for clear legal procedures for handling these asset types. The United Kingdom's approach, which has introduced regulations covering a broader spectrum of dormant assets, serves as a model for the UAE. Expanding the scope of the Dormant Accounts System to include non-mon-

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etary assets would ensure that these valuable resources are managed effectively and under clear legal guidelines.

Additionally, the research identified gaps in the communication protocols established for notifying dormant account holders. Current guidelines do not sufficiently outline how banks should contact account holders, particularly when contact information is outdated or unavailable. This finding aligns with Awad's (1988) assertion that inadequate notification systems often result in dormant accounts remaining inactive for long periods. The absence of standardized communication protocols exacerbates the issue, especially for accounts with substantial financial value. By adopting robust communication systems, akin to those in Canada, where banks are required to make multiple attempts to contact account holders through various channels, the UAE could significantly improve reengagement efforts and decrease the number of accounts classified as dormant.

Inconsistencies in how various financial institutions classify and manage dormant accounts across the UAE further complicate the regulatory landscape. This inconsistency supports Erniyazov (2023) observation that while some banks adhere to the Dormant Accounts System No. 1 of 2020, others interpret the regulations loosely, leading to varied practices. Such discrepancies not only create confusion for account holders but also hinder regulators' efforts to ensure compliance with established standards. In contrast, stricter regulatory oversight in countries like Germany ensures that all banks follow uniform guidelines for managing dormant accounts. Strengthening regulatory enforcement in the UAE could help create a more consistent and transparent system for handling dormant assets, fostering greater consumer trust.

The absence of judicial precedents regarding disputes over dormant accounts in the UAE further complicates the legal landscape. As highlighted by Rana et al. (2023), the lack of court rulings in this area leaves financial institutions and account holders without clear guidance on managing disputes. This is problematic, especially in a region where financial literacy may vary widely among consumers. Established legal precedents in countries like the United States and the United Kingdom provide banks and claimants with a framework to navigate the legal process, facilitating smoother resolutions. The UAE could benefit from developing more case law in this area, which would contribute to greater clarity and predictability for all parties involved in disputes over dormant accounts and unclaimed balances.

In summary, the findings of this study are consistent with challenges identified by other researchers in both the UAE and other international contexts. The gaps in the UAE's legal framework regarding the definition, management, and retention of dormant accounts reflect broader global issues but also present opportunities for legislative reform. By drawing on international best practices, such as those implemented in France, the United States, and the United Kingdom, the UAE can enhance its legal framework to ensure more effective management of dormant accounts and unclaimed balances. Future legislative efforts should aim to establish clearer definitions, retention timelines, and provisions for non-monetary assets. Strengthening regulatory oversight and creating judicial precedents would provide greater legal certainty and protection for account holders while improving the overall efficiency of the financial system.

Looking ahead, there is substantial scope for future research to explore the judicial implications of dormant account disputes in the UAE. Such studies could focus on establishing precedents and case law that provide clear legal guidance for handling disputes. Additionally, further investigations into the potential impact of emerging technologies – such as artificial intelligence and automated notification systems – on streamlining the management of dormant accounts would offer valuable insights into improving efficiency and communication with account holders. Expanding research to encompass other sectors, such as insurance and investment, where dormant policies and accounts also exist, would contribute to a more comprehensive understanding of how unclaimed assets can be effectively managed across various industries.

CONCLUSION

The purpose of this study was to critically analyze the legal framework governing dormant accounts and unclaimed balances in the United Arab Emirates (UAE), with the primary aim of identifying regulatory gaps and proposing legislative amendments that would improve the management and utilization of these funds. By conducting a thorough and comprehensive examination of existing laws, regulations, and practices within the UAE, the study sought to uncover inefficiencies and areas where the current system falls short in protecting both consumers and financial institutions. The study's findings highlight significant deficiencies within the existing regulatory structure, which severely hinder the effective management of dormant accounts and unclaimed balances.

One of the key findings of this study is the lack of clear, standardized definitions for what constitutes a dormant account in the UAE. This ambiguity makes it difficult for financial institutions to consistently classify and manage dormant accounts, resulting in a fragmented approach to account management. Moreover, the existing legal framework does not provide adequate provisions for the management of non-monetary assets, such as securities, precious metals, and other financial products, which complicates the process for banks and regulators alike. These gaps in the legal framework are not only limiting the efficiency of asset management but also leaving consumers exposed to potential risks, including the mismanagement or misappropriation of their funds.

The study emphasizes the need for legislative reforms that would address these critical issues. Specifically, it calls for the development of clear, standardized definitions for dormant accounts, as well as comprehensive provisions that include non-monetary assets in the regulatory framework. Such reforms would enable financial institutions to better manage dormant accounts, streamline procedures, and ensure that unclaimed balances are handled in a transparent and secure manner. Furthermore, the introduction of these legislative amendments would also enhance consumer protection, offering greater clarity and confidence to account holders.

Ultimately, this study argues that the UAE's regulatory framework needs to evolve in order to keep pace with global best practices, ensuring that dormant accounts and unclaimed balances are managed efficiently and in a manner that benefits both the financial system and its consumers. By implementing these proposed reforms, the UAE can foster a more transparent, effective, and secure financial environment, supporting the efficient management of dormant assets while safeguarding the rights of account holders.

THE AUTHORS DECLARE NO CONFLICT OF INTEREST

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APPENDIX A

Table A1. List of major governmental and commercial banks in the UAE

Bank Name	Name in English	Headquarters	Trading Symbol
Abu Dhabi Commercial Bank	Abu Dhabi Commercial Bank	Abu Dhabi	ADX: ADCB
Abu Dhabi Islamic Bank	Abu Dhabi Islamic Bank	Abu Dhabi	ADX: ADIB
Ajman Bank	Ajman Bank	Ajman	DFM: AJMANBANK
Al Hilal Bank	Al Hilal Bank	Abu Dhabi	Acquired by ADCB group
Bank of Sharjah	Bank of Sharjah	Sharjah	ADX: BOS
Commercial Bank International	Commercial Bank International	Ras Al-Khaimah	ADX: CBI
Commercial Bank of Dubai	Commercial Bank of Dubai	Dubai	DFM: CBD
Dubai Bank	Dubai Bank	Dubai	Acquired by Emirates Islamic
Dubai Islamic Bank	Dubai Islamic Bank	Dubai	DFM: DIB
Emirates Investment Bank	Emirates Investment Bank	Dubai	DFM: EIBANK
Emirates Islamic	Emirates Islamic	Dubai	DFM: EIB
Emirates NBD	Emirates NBD	Dubai	DFM: ENDB
First Abu Dhabi Bank	First Abu Dhabi Bank	Abu Dhabi	ADX: FAB
Invest Bank	Invest Bank	Sharjah	ADX: INVESTB
Mashreq	Mashreq	Dubai	DFM: MASQ
National Bank of Fujairah	National Bank of Fujairah	Fujairah	ADX: NBF
National Bank of Ras Al-Khaimah	National Bank of Ras Al-Khaimah PJSC	Ras Al-Khaimah	ADX: RAKBANK
National Bank of Umm Al-Quwain	National Bank of Umm Al-Quwain	Umm Al-Quwain	ADX: NBQ
Noor Bank	Noor Bank	Dubai	Acquired by Dubai Islamic Bank
Sharjah Islamic Bank	Sharjah Islamic Bank	Sharjah	ADX: SIB
United Arab Bank	United Arab Bank	Sharjah	ADX: UAB