

Shaping the future

2021 challenges and indicators for change

MIDDLE EAST REGIONAL SPOTLIGHT

Cultural *indicators*

Biggest
board
challenges

- Volume of regulatory change
- Instilling a culture of compliance
- Meeting regulatory expectations

74%

of firms in the Middle East expect
personal liability to **increase**

Biggest
challenge
to *culture*
/conduct

- Balancing competitive and compliance pressures
- Effectively managing and motivating remote workers
- Creating a unified compliance culture

74%

of firms in the Middle East expect regulatory
information to **increase** in coming year

Biggest
compliance
challenge

- Keeping up with regulatory change
- Increasing regulatory demands and expectations
- Lack of skilled resources

42%

of firms in the Middle East have **turned down**
a profitable business venture for
cultural reasons

Operational *indicators*

58%

of firms in the Middle East reported **regtech solutions** were affecting the management of compliance¹

1. Thomson Reuters Regulatory Intelligence – Fintech, Regtech and the Role of Compliance in 2021

21%

of firms in the Middle East **outsource** all or part of compliance functionality

BIGGEST COMPLIANCE CHALLENGE FROM COVID-19 IS REMOTE WORKING

42%

of firms in the Middle East expect more compliance involvement in **cyber resilience**

Biggest compliance challenge from COVID-19 is **remote working**



TECHNOLOGY ENABLED CHANGE

50%

of firms in the Middle East expect budgets to remain the **same**

People *indicators*

38%

of firms in the Middle East expect cost of compliance staff to **increase**



Top three skills for ideal compliance officer

1

Subject matter expertise

2

Communication skills

3

Anticipate future regulatory trends

— Integrity

=

Equal top 2 reasons why cost of compliance staff would fall

— Remote working

— Budget cuts

= 65%

of firms in the Middle East expect staff turnover to **stay same**

The greatest compliance challenge(s) I expect to face in 2021 is/are...

“Keeping up with fintech and training compliance staff to apply more advanced technologies to increase efficiencies and effectiveness.”

Chief Compliance Officer, Middle East



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