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CBUAE and CBRT sign three agreements to promote financial cooperation and strengthen trade and economic ties between the UAE and Türkiye

Abu Dhabi (2 October 2025): The Central Bank of the United Arab Emirates (CBUAE) and the Central Bank of the Republic of Türkiye (CBRT) signed a bilateral currency swap agreement between the UAE Dirham (AED) and the Turkish Lira (TRY), in addition to two memorandums of understanding (MoUs): one to promote the use of local currencies (AED – TRY) for cross-border transactions, and another to interlink their payment and messaging systems. These agreements aim at promoting financial and economic collaboration and strengthen bilateral trade.

The agreement and MoUs were signed by H.E. Khaled Mohamed Balama, Governor of the Central Bank of the UAE and Ph.D. Fatih Karahan, Governor of the Central Bank of the Republic of Türkiye, in the presence of assistant Governors and senior officials from both parties.

The nominal size of the swap agreement is mutually AED 18 billion and TRY 198 billion. It is designed to promote bilateral trade with the aim of further strengthening financial cooperation between the two countries through providing local currency liquidity to financial markets, enabling more effective and efficient settlement of cross-border financial and commercial transactions.

The first MoU aims to establish a framework for promoting the use of the UAE Dirham (AED) and the Turkish Lira (TRY) in settling cross-border transactions. It endeavours to develop the foreign exchange market, facilitate trade and foreign remittances, boost investment, as well as accelerate economic growth and financial stability in both nations. The MoU specifically includes establishing a local currency settlement scope to expand the use of both currencies in all current and capital accounts transactions, and deepening the exchange of information and experience to achieve shared goals.

The second MoU aims to facilitate cross-border payment transactions and support the use of domestic payment cards, in alignment with the regulatory and supervisory requirements of both jurisdictions. It also encourages the exchange of expertise in developing central bank digital currency (CBDC) platforms for individuals and institutions. Additionally, the memorandum outlines the integration of the UAE's instant payment platform (Aani) with Türkiye's FAST system to enhance the efficiency of cross-border financial transactions. This includes linking



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electronic systems and switches in both countries to improve interoperability and operational effectiveness.

H.E. Khaled Mohamed Balama, Governor of the Central Bank of the UAE:

“The agreements signed reflect the commitment of the Central Bank of the UAE and the Central Bank of the Republic of **Türkiye** to work together in supporting the efforts of both nations to further strengthen their strategic partnership to new heights—particularly in the areas of finance, financial technology, and cross-border digital payments. The use of local currencies in cross-border financial and commercial transactions contributes to reducing costs and settlement time, while also helping to develop the exchange market for both currencies. This, in turn, boost trade volumes and financial remittances.”

Ph.D. Fatih Karahan, Governor of the Central Bank of the Republic of

Türkiye: These agreements reflect the shared commitment of both parties to advancing financial cooperation and fostering bilateral trade using local currencies, in support of broader economic relations and sustainable development goals. The agreements open up new opportunities to facilitate trade and investment relations between stakeholders in both countries. We look forward to exchanging expertise and experiences in payments and financial technology, and to accelerating the adoption of advanced technologies in the financial sector, in ways that serve the economic and financial interests of both countries.

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