



# Focus On Dubai

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Financial Centre Futures





We are pleased to present a short update on the progress being made in Dubai International Financial Centre (DIFC). DIFC is a member of Z/Yen's [Vantage Financial Centres network](#). The aim of this update is to provide readers with news about developments in Dubai's business and financial services activity.

Dubai International Financial Centre (DIFC) is one of the world's most advanced financial centres, and the leading financial hub for the Middle East, Africa and South Asia (MEASA), which comprises 72 countries with an approximate population of 3 billion and an estimated GDP of USD 8 trillion. Z/Yen's 33rd edition of the Global Financial Centres Index classified DIFC as one of only ten financial centres to be a broad and deep global leader.

With a close to 20-year track record of facilitating trade and investment flows across the MEASA region, the Centre connects these fast-growing markets with the economies of Asia, Europe and the Americas through Dubai.

DIFC is home to an internationally recognised, independent regulator and a proven judicial system with an English common law framework, as well as the region's largest financial ecosystem of over 39,000 professionals working across more than 4,900 active registered companies – making up the largest and most diverse pool of industry talent in the region.

The Centre's vision is to drive the future of finance through cutting-edge technology, innovation, and partnerships. Today, it is the global future of finance and innovation hub offering one of the region's most comprehensive FinTech and venture capital environments, including cost-effective licensing solutions, fit-for-purpose regulation, innovative accelerator programmes, and funding for growth-stage start-ups. Comprising a variety of world-renowned retail and dining venues, a dynamic art and culture scene, residential apartments, hotels and public spaces, DIFC continues to be one of Dubai's most sought-after business and lifestyle destinations.

For further information, please visit our website: [difc.ae](http://difc.ae), or follow us on LinkedIn and Twitter @DIFC .



## Focus On Dubai

Dubai has long been recognised as a global business hub with its strategic location, world-class infrastructure, and investor-friendly policies. It is a city that has established itself as a leading destination for businesses looking to expand and grow, with a diverse economy and a reputation for innovation and excellence.

The Emirate's appeal as a business hub is further enhanced by its reputation as a dynamic and cosmopolitan city, with a high quality of life and a vibrant social scene. The city's world-class infrastructure, modern amenities, and commitment to sustainability make it an attractive location for global talent, investors, entrepreneurs, and businesses seeking to expand in the Middle East and beyond.

At the heart of this thriving city and business ecosystem is Dubai International Financial Centre (DIFC), the leading global financial and innovation hub in the Middle East, Africa, and South Asia (MEASA) region. DIFC plays a critical role in leading and shaping the future of finance through innovation, sustainability, and inclusivity creating an environment that fosters growth and development. The 33rd edition of the Global Financial Centre Index rankings classifies Dubai as one of only 10 financial centres in the world that is a global leader with a broad and deep offering.

DIFC, as one of Dubai's leading lifestyle destinations, is also key in attracting and retaining top talent, offering a wide range of cultural and entertainment experiences, as well as best-in-class learning opportunities.

As a result, DIFC has become the preferred choice for leading global companies, and a lifestyle destination second-to-none:

- A history of nearly 20 years as an English common law jurisdiction with a transparent legal and regulatory system.
- A deep and broad ecosystem of over 39,000 professionals working across more than 4,900 financial, technology, innovation, and services firms.
- Over 370 retailers – offering a diverse range of services, including world-class cuisines, homegrown concepts, some of the city's most popular establishments, art galleries and boutiques.
- Home to one of the top financial and Innovation talent pools from around the world.

Through this report, we explore the initiatives and achievements of DIFC and showcase why Dubai is an ideal place to do business, invest, and thrive.



## About Dubai International Financial Centre (DIFC)

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## A Leading Global Financial Hub Built For Growth

DIFC reported a record-breaking year in 2022 and this trajectory continued into H1 2023, with the year-on-year number of active registered companies increasing 23 per cent to 4,949. For the first time in the Centre's history, new companies registered in DIFC in 2022 surpassed the milestone of 1,000, with 1,084 joining the community. In H1 2023 alone, 661 new companies joined.

This growth supports the Dubai Economic Agenda (D33), and the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, to make Dubai a leading commercial and investment destination.

DIFC's combined revenue crossed AED 1 billion for the first time in 2022. With total assets of over AED 15.3 billion, DIFC's financial position is going from strength to strength. Last year was also a strong year for DIFC in terms of real estate as it broke its own records in leasing commercial space. In 2022, 809,000 sq. ft. of commercial space was leased.

Overall, DIFC's record-breaking growth in 2022 confirms its position as the leading international financial hub in the MEASA region, and further underscores its drive to innovate to attract new businesses and expand its portfolio.



## Home To World-Class Firms And Financial Institutions

DIFC is home to 17 of the world's top 20 banks, 25 of the world's top 30 systemically important global banks, five of the top 10 insurance companies, five of the top 10 asset managers and many leading global law and consulting firms. DIFC is the largest financial centre in the Middle East, Africa and South Asia region by far.

Overall, DIFC's industry size grew to USD 812 billion and total assets booked by the DIFC banking community were strong at USD 199 billion. Lending increased to USD 166 billion and, as a global hub for emerging market for Wealth and Asset Management, DIFC portfolio managers invested USD 164 billion in 2022. Venture Capital raised increased to USD 1.2 billion. Gross Written Premiums for the insurance sector reached USD 2.1 billion.

The Centre is also leading the way in contributing to the global industry development by being the largest cluster of banking and capital markets, FinTech, insurance, wealth and asset management, and

professional services companies in the region. FinTech and Innovation is the fastest growing sector in DIFC, with 686 associated firms in the Centre who fund-raised over USD 615 million during 2022.

The number of DFSA-regulated financial entities grew to 590, with 89 authorised financial service firms in 2022. This has grown to 632 financially regulated firms in H1 2023.

Finally, major international players joined DIFC in the last year include ADIB, BIC-BRED, Continental Group International, FinTech unicorn Darwinbox, Jefferies, Habib Bank AG Zurich, Lord Abbett, 1291, Prevensure, Proton, Sculptor Capital Management Hong Kong Limited, 3S Money, United Bank of Africa Group, and Volante.



### **Driving Dubai's Next Generation Of Foreign Direct Investment (FDI)**

DIFC is also setting itself apart as a global financial centre and driving Dubai's next generation of foreign direct investment (FDI). In fact, Dubai outpaced other major financial cities, such as London, Singapore, New York, and Paris in attracting FDI in 2021, with DIFC ranking first as a free zone globally in attracting FDI every year from 2017 to 2021.

DIFC continues to attract firms from around the world, including hedge funds seeking new places to establish – Close to USD 500 billion worth of assets are managed by firms within DIFC – highlighting Dubai's reputation as a safe and secure society as well as a financial centre.

The Dubai Financial Services Authority (DFSA), the independent regulator of financial services conducted in or from DIFC, and DIFC's globally recognised levels of transparency and governance, have helped attract some of the world's most renowned companies, such as Goldman Sachs, Morgan Stanley, and BlackRock to DIFC.

## First Global Family Business And Private Wealth Centre

DIFC launched the world's first Global Family Business and Private Wealth Centre in 2023. The Centre is the first in the world to create a unique offering at a time when an estimated AED 3.67 trillion (USD 1 trillion) in assets will be transferred to the next generation in the Middle East during the next decade. The initiative aligns with Dubai Government's commitment to support family businesses, which continue to play a prominent role in accelerating the growth of Dubai's economy. The initiative, which is aligned with DIFC's 2030 Strategy objectives, will enable DIFC to double in size and its economic contribution to Dubai's GDP. The strategy also supports sustained economic growth and further differentiates Dubai as a global hub for leading financial institutions and businesses.

## DIFC Launchpad Accelerates Growth Of Innovative Start-Ups And Scale-Ups

To support innovation and growth in the region, DIFC's Innovation Hub introduced its venture building platform— DIFC Launchpad – in 2022. The initiative seeks to develop a strong venture building model that promotes the growth of innovative start-ups and scale-ups in the region. The DIFC Launchpad expects to support the launch of more than 200 new ventures in Dubai, create over 8,000 jobs and attract over AED 2 billion in venture capital.

The DIFC Launchpad programme is backed by multinational experts, specialised in new venture creation, corporate innovation and emerging technologies, who will be working closely with DIFC's investor bases and corporate partners Mashreq, Mastercard, and Commercial Bank of Dubai to create and launch the next generation of global FinTech start-ups in Dubai. To scale venture building activities across a range of verticals, the DIFC Launchpad attracted some of the world's leading venture studios to Dubai, including R/GA Ventures, Antler, BIM Ventures, and Futurelabs.

With the DIFC Launchpad, Dubai is well positioned to become the global hub for venture building, and



the programme is expected to have a far-reaching impact on the region's economic growth.

### **An Attractive Hub For Global Talent**

DIFC is attracting top financial talent to the region, with employee numbers rising to 36,083. The Centre's growing profile as a global talent hub for both finance and FinTech is reflected in its high-skilled workforce, representing over 160 nationalities, which makes the highest per-capita contribution to GDP across all economic sectors in Dubai.

DIFC has continued to provide access to best-in-class learning for undergraduates, postgraduates, and executives through the DIFC Academy (Academy), with 3,600 learners and graduates completing programmes offered by the Academy in 2022.

The Academy is catering to the learning needs of the financial services industry by providing a platform for top-ranked educational institutes and universities to deliver professional development and higher education courses. The Academy has partnered with some of the world's most reputable institutions to offer a variety of options, ranging from short certificate workshops to multi-year executive MBA degree programmes.

The DIFC Innovation Hub, the largest innovation community in the region, is home to growth-stage tech firms, established innovation companies, digital labs, venture capital firms, regulators and educational entities. The hub is generating growth and economic value by fostering innovation, enterprise, and talent across various sectors, especially in future-oriented industries. These initiatives are set to accelerate Dubai's position as a global, inclusive, and forward-thinking talent hub.

### **Connecting Global Industry Experts, Innovators, And Policy Makers**

DIFC's commitment to connecting industry professionals and market-makers across the globe is evident through its numerous initiatives and events.

DIFC recently hosted the Dubai FinTech Summit in May 2023, bringing together more than 5,000 experts, thought leaders, policymakers, and decision-makers as they meet to discuss and shape a new wave of innovation, enterprise, and growth for the global FinTech industry.

The Centre continues to empower the future of finance. It also brought together over 1,100 insurance leaders from 60 countries around the world for the sixth annual Dubai World Insurance Congress 2023, co-hosted by Global Reinsurance. Held under the theme "Resilience: Navigating the Storm to a Better World", the Congress is the largest event of its kind in the region.

With innovation at the forefront of everything it does, DIFC also hosted its annual flagship FinTech Hive Investor Day in the metaverse for the first time, inviting avatars of global investors to meet and interact with accelerator graduates of DIFC FinTech Hive, the first and largest financial technology accelerator in

the MEASA region.

Additionally, the DIFC Innovation Hub hosted the Open Finance Week, creating further opportunities for the industry to engage and share their expertise with each other. This follows the launch of the region's first Open Finance Lab to promote the development and growth of the UAE financial technology sector by educating and engaging banks, regulators and the industry to showcase and shape the positive impact of open finance on the economy.

### **A Future-Focused Financial Centre**

In 2022, DIFC achieved its highest global ranking in the Global Green Finance Index and maintained its position as the leading financial centre in the region according to the Global Financial Centres Index rankings.

DIFC partnered with GEFI to launch the Path to COP 28, the first industry-led programme ahead of the United Nations Framework Convention on Climate Change's COP 28, to be held in Expo City Dubai. The Path to COP 28 aims to drive change across the world's financial industry by focusing on delivering Net Zero, unlocking Islamic Finance, financing nature and biodiversity, and financing sustainable development goals. As the host financial centre for the Path to COP 28 programme, DIFC supports a series of report launches, roundtables, training programmes, and community engagements leading up to the event.



The Dubai Sustainable Finance Working Group (DSFWG), powered by DIFC and Dubai Financial Market (DFM), was established in 2019 to help Dubai become recognised as the region's best city for sustainable finance. Since then, significant progress has been made, including the introduction of a self-assessment tool in 2022 for measuring the maturity of Environmental, Social, and Governance (ESG) policies and practices in companies. This tool is in alignment with DIFC's national commitment, its vision and strategy for sustainability, as well as the UAE and Dubai's strategic initiatives, and the UN Sustainable Development Goals.

DIFC also recently hosted the world's first finance summit dedicated to advancing the Conference of the Parties (COP 28) climate action agenda in the global finance industry. As part of the DIFC-hosted Global Ethical Finance Initiative's (GEFI's) Path to COP 28 programme, over 500 industry professionals attended the first in a series of summits serving as a platform to drive proactive action in the finance industry to lead the charge on climate change and be at the forefront of accelerating the green transition. The event featured an A-list line-up of speakers and attendees from leading investment firms, banks, policymakers, and financial service providers to discuss COP 28 priorities for the sector and how to implement best practice decision-making across their organisations.



### More Than A Financial Centre

In addition to being a leading financial centre, DIFC is also evolving its position as one of Dubai's leading lifestyle destinations. The footfall within Gate Avenue increased to 10.34 million in 2022, as the Centre hosted a range of lifestyle-focused activities, including the well-established Dubai Watch Week, Dubai 30x30 Fitness Challenge, and Bloomberg Square Mile. It also introduced new initiatives, such as Prototypes for Humanity, which is a collection of the world's best inventions that will benefit humankind, and a premium fan zone during the FIFA World Cup 2022.

## Arts And Culture

DIFC's popular Art Nights draws art enthusiasts from all over the world to the district annually. Focussing on the theme of 'Art for change: Building a sustainable future', the 15th edition of DIFC Art Nights showcased the impact art can have on promoting sustainability and inspire artists to take an active role in encouraging positive change through their art. The theme of DIFC Art Nights sits in line with DIFC's longstanding commitment to sustainability on the Path to COP 28 and offers the public an opportunity to explore sustainability in a unique and creative way through art.

DIFC has also transformed into an open-air art gallery with the DIFC Sculpture Park, around the theme, 'Tales Under the Gate', open for visitors until September 2023. The DIFC Sculpture Park hosts an array of futuristic, innovative, and cutting-edge masterpieces of established and independent artists representing diverse art movements from around the world. Visitors can enjoy Natalie Clark's grand sculpture, 'Spirit of Hathor', and Lorenzo Quinn's modern icon 'Love Dubai', as well as the surreal visions of Salvador Dali, and Emre Yusufi's playful 'Hercules the DJ'.

The immersive artistic experience is in line with Dubai's cultural vision to make art accessible for all and consolidate the Emirate's stature as a global destination for culture, innovation, and talent.

## Urban Lifestyle Experiences



Today, DIFC is home to over 370 retailers – offering a diverse range of services, including world-class cuisines, homegrown concepts, some of the city's most popular establishments, art galleries and boutiques.

Gate Avenue, an innovative retail and fashion experience launched by DIFC, stretches from The Gate Building to Central Park Towers, offering a seamless walkway that connects the Centre's community year-round, including an outdoor promenade for greater accessibility and connectivity. Boasting over 300 retail options, including dining, fashion, global brands, regional designers, and lifestyle concepts, Gate Avenue upholds the Centre's reputation for iconic architecture.

Gate District consists of Marble Walk, the Gate District balcony and public areas within the neighbouring buildings. It is a high traffic area that connects influential decision-makers and entrepreneurs, lined with retail outlets, cafes, restaurants, beauty salons, and more.

The Gate Village brings a taste of luxury to DIFC, making it one of Dubai's most desirable lifestyle



destinations. Home to Dubai's unparalleled collection of award-winning restaurants and art galleries, with some of the best homegrown concepts and world-renowned names, the Gate Village combines fine dining and art under an architecturally unique outdoor setting.

With modern facilities and continuous footfall, retailers benefit from a captive audience of almost 40,000 professionals, as well as thousands of visitors to DIFC.

DIFC is also broadening its real estate offering with two new exciting real estate developments coming to the district soon – Innovation One, and DIFC Living and Innovation Two.

To learn more about DIFC, please click [here](#). If you have an enquiry or would like to discuss setting up in DIFC, please [get in touch](#). We would love to hear from you!



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Z/Yen helps organisations make better choices – our clients consider us a commercial think-tank that spots, solves and acts. Our name combines Zen and Yen – “a philosophical desire to succeed” – in a ratio, recognising that all decisions are trade-offs. One of Z/Yen's specialisms is the study of the competitiveness of financial centres around the world. A summary of this work is published every six months as the Global Financial Centres Index. Z/Yen also publishes the [Global Green Finance Index](#) that seeks to encourage financial centres to become greener and develop financial services in a way that enables society to live within planetary boundaries. Most recently we have developed the [Smart Centres Index](#), which tracks commercial and financial centres' offerings in technology and innovation.

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