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A LOOK AHEAD FOR THE DIFC



His Highness Sheikh Mohammed bin Rashid Al Maktoum
Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai



Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum
Deputy Ruler of Dubai and President of Dubai International Financial Centre



CHAIRMAN'S MESSAGE

During 2017, the Middle East, Africa, and South Asia (MEASA) region entered a new phase of growth, opportunity and sustainable development. Oil prices are more stable, the private sector is more vibrant, foreign investment continues to flow in, and governments are adopting forward-looking reforms focused on job creation, better education, and a greater reliance on renewable energy and sustainability infrastructure.

Technology – whether it be expanding wireless networks, off-grid solar electricity or FinTech – is proving to be a powerful enabler of economic expansion for both developing and developed economies in the region.

MEASA markets are benefitting from reforms in areas such as utility and fuel subsidies that are in turn driving innovation, as companies find new ways to operate more efficiently and reduce consumption of energy inputs.

On a macroeconomic level, the economic significance of the MEASA region and the associated expansion of South-South economic integration, became an increasingly important feature of global trade and investment decision-making in 2017.

In short, this region is operating in an increasingly innovative and nimble way as it faces both decades-old and 21st-century challenges.

Dubai International Financial Centre (DIFC), the leading financial hub for the region continues to serve MEASA's evolving banking and financial services needs. Already in place is the hard and soft infrastructure, the mature ecosystem, and the community of world-class firms and professionals that are required to support the region's transformation.

What's more, as reflected in this year's Annual Review, DIFC is continually expanding and refining its enabling infrastructure to help meet the changing market requirements.

As a result, DIFC continues to register record growth, as firms from across the globe make the Centre their natural choice for operations in the region. During 2017, the number of active registered companies in DIFC rose 12% to 1,853, while the overall workforce increased to 22,338 professionals. Independent rankings are reinforcing the logic behind the decisions made by hundreds of companies to select DIFC as their platform for growth, with Dubai now recognised as a top 10 international financial centre and one of the world's top 10 FinTech hubs.

Examples of DIFC's innovation and ongoing efforts to address this opportunity can be seen in the Centre's activities during the year. We extended our leadership in FinTech by not only graduating our first batch of start-ups from our FinTech Hive Accelerator, but also announcing a US\$100 million FinTech start-up fund.

Building on over a decade of offering world-class education, the Centre launched The Academy at DIFC, a state-of-the-art executive education facility that encourages greater knowledge – sharing and human capital development across the DIFC ecosystem.

Illustrating our innovation in rethinking what a financial centre can offer, the progress made on Gate Avenue at DIFC in offering an upscale urban retail, leisure and cultural development, reinforced our position as a premium business and lifestyle destination. Not only will Gate Avenue bring an entirely different element to the Centre's retail offering, it will connect the entire district, truly bringing together the community.

This focus on innovation and knowledge reflects DIFC's role as a driver of the broader Dubai Vision 2021. This Vision seeks to make Dubai a top five global centre for trade, logistics, tourism and finance, as well as the most business-friendly city in the world and a top destination for foreign investment.

To support this Vision and guide our way forward, in 2015, we announced our 2024 Strategy to triple the scale of DIFC over the course of a decade. We remain on track to achieve those goals, and in doing so, the Centre will continue to support Dubai's global ambitions and help shape the future of financial services – and by extension the broader economy – across the entire region.

Essa Kazim
Chairman of DIFC Authority Board of Directors

DIFC AUTHORITY BOARD OF DIRECTORS



H.E. ESSA KAZIM

CHAIRMAN

DIFC AUTHORITY BOARD OF DIRECTORS

His Excellency Essa Kazim is the Governor of Dubai International Financial Centre (DIFC), Chairman of Borse Dubai, Chairman of Dubai Financial Market (DFM), Deputy Chairman of Supreme Legislation Committee in Dubai and a member of Dubai Supreme Fiscal Committee.

His Excellency Kazim began his career as a Senior Analyst in the Research and Statistics Department of the UAE Central Bank in 1988 and then moved to the Dubai Department of Economic Development as Director of Planning and Development in 1993.

He was then appointed Director General of DFM from 1999 to 2006.

His Excellency Kazim holds an honorary Doctorate from Coe College, a Master's Degree in Economics from the University of Iowa, a Master's Degree in Total Quality Management from the University of Wollongong and a Bachelor's Degree from Coe College.

His Excellency Kazim currently sits on a number of official advisory committees and boards; he is Member of the Higher Board of Directors of the DIFC, Chairman of DIFC Investments Board of Directors, Board Member of Nasdaq Dubai, Board Member of Free Zones Council, Board Member of Noor Bank, Board Member of Nasdaq, Board Member of Etisalat, and Board Member and Secretary General of Dubai Islamic Economy Development Centre.

His Excellency Essa Kazim also serves as a board member for a number of educational institutions, both in the region and around the world.



HUSSAIN AL QEMZI

BOARD MEMBER

DUBAI INTERNATIONAL FINANCIAL CENTRE

A seasoned banker renowned for his wise leadership and proven expertise in adopting, steering and managing strategic projects, business development and innovation initiatives, Mr Hussain Al Qemzi has more than 30 years of broad experience in the banking and financial services sector. He has worked with leading financial institutions in the United Arab Emirates (UAE) and was formerly the Group Chief Executive Officer of the Noor Investment Group and Managing Director of its flagship entity, Noor Bank.

Mr Al Qemzi has a firm belief in innovation as a pillar of growth. Under his leadership, Noor Bank has received several prestigious industry awards. As a result of his achievements, Mr Al Qemzi was named 'Islamic Banking CEO of the Year' at the prestigious CEO Middle East Awards 2015.

Previously, Mr Al Qemzi served as the Chief Executive of Sharjah Islamic Bank and a former board member of the Dubai Financial Market (DFM) and Dubai International Financial Exchange (DIFX).

He also served as Chief Operating Officer of DIFC and is credited with laying the groundwork for the world-class financial hub.

Mr Al Qemzi is currently the Chairman of the Board of Directors of the Awqaf and Minors Affairs Foundation, Vice Chairman of Emaar Properties, and a member of the Board of Directors of the DIFC Supreme Council. He is also a member of the Dubai Higher Committee of the Dubai Islamic Economy Development Centre.

ABDULLA J M KALBAN

BOARD MEMBER

DUBAI INTERNATIONAL FINANCIAL CENTRE

Mr Abdulla J M Kalban has served as Managing Director and Chief Executive Officer of EGA since its formation through the merger of DUBAL and EMAL in 2014. He joined DUBAL as a graduate trainee in 1985 and progressed up through the ranks before becoming Chief Executive Officer of DUBAL in 2005, then President and Chief Executive Officer in 2008.

In addition, Mr Kalban serves as Chairman of the Gulf Aluminium Council, Vice Chairman of the Federal Electricity & Water Authority and Board Member of the International Aluminium Institute, Dubai International Financial Centre Investments



and Hamdan Bin Mohammed Smart University. He is active on the Dubai Executive Council Committee for Infrastructure and Environment and the Supreme Council of Energy in the UAE.

Mr Kalban holds a Bachelor's Degree in Industrial Engineering from the University of New Haven, Connecticut, USA.

RASHID SAIF AL-JARWAN**BOARD MEMBER****DUBAI INTERNATIONAL FINANCIAL CENTRE**

Mr Rashid Al-Jarwan is Vice Chairman of the Board of Directors of Dana Gas, and a Board Member of Emirates General Petroleum Corporation (Emarat), Oman Insurance Company, DIFC Investments (DIFCI) and Mashreq Bank, and Chairman of the Board of the Al Ghurair Holding company.



and technical positions with the ADNOC Group of Companies in Abu Dhabi.

Mr Al-Jarwan holds A bachelor's Degree in Petroleum & Natural Gas Engineering from Pennsylvania State University.

His extensive oil and gas experience extends to over 40 years, having latterly held the position of General Manager at Dana Gas for three years and ADGAS for eight years. Over 28 years, he held various executive

HESHAM ABDULLA AL QASSIM**BOARD MEMBER****DUBAI INTERNATIONAL FINANCIAL CENTRE**

Mr Hesham Abdulla Al Qassim is Vice Chairman and Chief Executive Officer for Wasl Asset Management Group and is responsible for leading the organisation's transformation into a world-class asset management company. He also is the Vice Chairman and Managing Director of Emirates NBD Bank PJSC, the Chairman of Emirates Islamic, Emirates NBD Egypt and Emirates NBD Capital KSA.



Mr Al Qassim also is the Chairman of the Emirates Institute for Banking and Financial Studies (EIBFS) and Dubai Sports Corporation and the Vice Chairman of Dubai Autism Centre. His other board memberships include Emirates Telecommunications Corporation (Etisalat), DIFC Investments LLC, Federal Authority for Government Human Resources, National General Insurance Co., Amlak Finance, Pak Telecom Mobile Ltd., Pakistan Telecommunication Company Ltd., as well as the International Humanitarian City. His professional and vocational qualifications include a Bachelor's Degree in Banking and Finance and a Master's Degree in International Business Management and in Executive Leadership Development.

Mr Al Qassim's leadership role at Wasl has seen him spearhead asset management, real estate, hospitality and project development. Under his stewardship, Wasl has achieved remarkable success in the management and ownership of large-scale real estate projects undertaken for the Government of Dubai.

Mr Al Qassim's current Chairmanship roles at Emirates NBD and Emirates Islamic reflect his prominent role in shaping the direction of these prestigious institutions. His senior level financial experience and innovations within the banking industry, led these banks to become leading financial institutions in the United Arab Emirates (UAE).

**SALEM AL SHARHAN****BOARD MEMBER****DUBAI INTERNATIONAL FINANCIAL CENTRE**

Mr Salem Ali Al Sharhan worked at Emirates Telecommunication Corporation (Etisalat) for 23 years until May 2011. During his time with Etisalat, Mr Al Sharhan served as Group Chief Financial Officer for seven years. In that role, he was responsible for all aspects of group financial strategy and served as a member of the corporate management team, where he evaluated both technology and potential acquisition targets.

As part of his role with Etisalat, Mr Al Sharhan represented the company on the boards of a number of international telecom companies. He served as a board member of Mobily in Saudi Arabia and as a member of Sudatel in Sudan for 10 years. In addition, Mr Al Sharhan was a board member of EMTS in Nigeria, a board member of Atlantique Telecom in West Africa and was Chairman of Zantel in Tanzania.

Mr Al Sharhan also served as a trusted advisor to His Highness Sheikh Saud Bin Saqr Al Qasimi, Ruler of Ras Al Khaimah.

At present, Mr Al Sharhan is a Chairman of RAK Insurance, Board Member of the National Bank of Ras Al Khaimah and Member of the Board of Trustees of the American University of Ras Al Khaimah.

Mr Al Sharhan holds a Bachelor of Science Degree in Accounting and Business Administration from United Arab Emirates University.

HAMAD BUAMIM**BOARD MEMBER****DUBAI INTERNATIONAL FINANCIAL CENTRE AUTHORITY**

Holding his current position since 2006, Hamad Buamim is the President and CEO of Dubai Chamber of Commerce & Industry. He also is the Deputy Chair of the World Chambers Federation - ICC in Paris.



In addition to his role on the Dubai International Financial Centre Authority Board, Mr Buamim also serves as a Board Member of the UAE Central Bank and Dubai World, and acts as Chairman of the Board of National General Insurance and Hawkamah, the Institute for Corporate Governance.

Mr Buamim holds a Master of Business Administration (MBA) with honours in Finance from the University of Missouri, Kansas City, United States. He also obtained a Bachelor of Science with Magna Cum Laude in Electrical Engineering from the University of Southern California, Los Angeles.

In previous roles, Mr Buamim served as Chairman of Emirates Financial Services and Emirates NBD Capital, as well as a Board Member of Emirates NBD and Network International.



A TRULY GLOBAL INTERNATIONAL FINANCIAL CENTRE

The Dubai International Financial Centre (DIFC) is the financial hub for the Middle East, Africa and South Asia (MEASA) region. An essential component of the global financial system, Dubai International Financial Centre (DIFC) is an onshore free zone that connects the region's markets with the economies of Europe, Asia and the Americas.

A gateway facilitating capital and investments to and from the region, Dubai International Financial Centre (DIFC) is helping transform Dubai and the broader United Arab Emirates (UAE) into a centre for institutional finance. It is shaping the future of financial services in the region and leading efforts to promote financial innovation and inclusion across MEASA.



DIFC Core Bodies

Three independent bodies have been established in DIFC to achieve the Centre's purpose and objectives.

DUBAI INTERNATIONAL FINANCIAL CENTRE AUTHORITY

The Dubai International Financial Centre Authority (DIFC Authority) is responsible for the guiding strategy, ongoing development and overall public administration of DIFC.

The DIFC Authority promotes the Centre, manages the districts ultra-modern infrastructure, and also promulgates and administers those laws and regulations for the Centre that do not relate to the regulation of financial services.

DUBAI FINANCIAL SERVICES AUTHORITY

The Dubai Financial Services Authority (DFSA) is the independent regulator of financial and some Designated Non-Financial Businesses and Professionals (DNFBP) operating in or from DIFC.

The DFSA's regulatory mandate includes asset management, banking and credit services, securities, collective investment funds, custody and trust services, commodities futures trading, Islamic finance, insurance, an international equities exchange, and an international commodities derivatives exchange.

DISPUTE RESOLUTION AUTHORITY

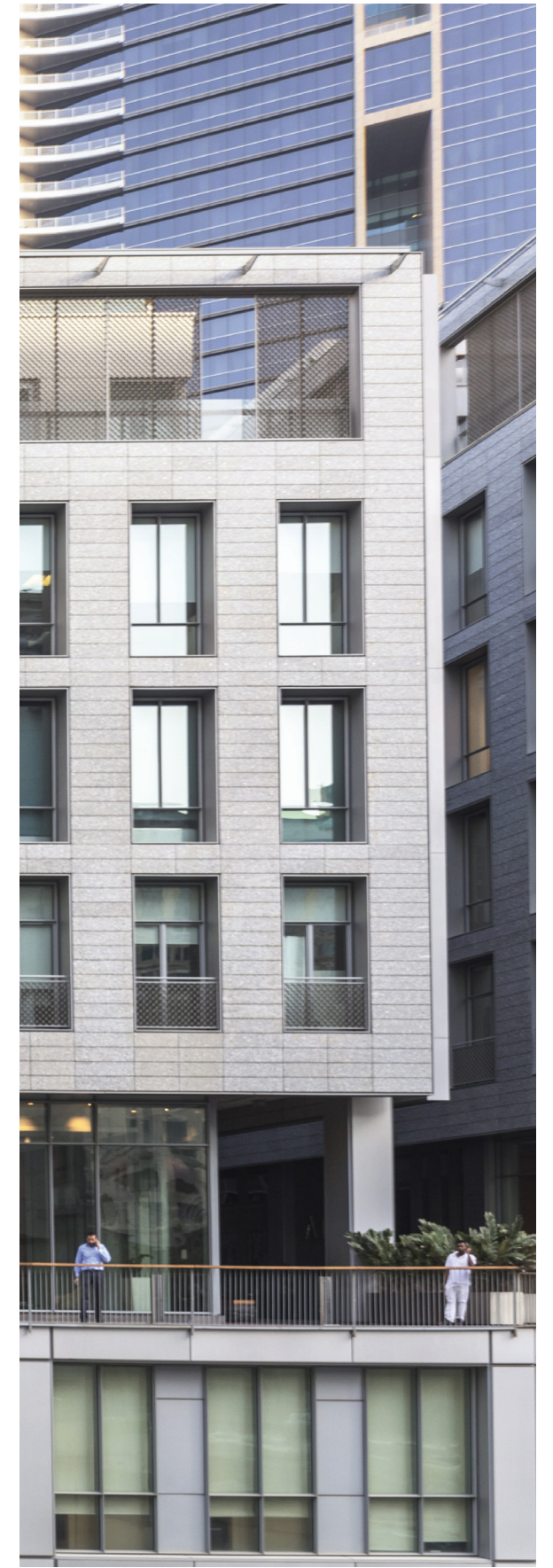
The Dispute Resolution Authority (DRA) is a platform for delivering legal excellence in the Middle East and the gateway to a suite of services available to businesses operating in Dubai and beyond.

The DRA is comprised of four divisions: DIFC Courts, which administers an English language, common - law system; the DIFC-LCIA Arbitration Centre, the Academy of Law, and the DIFC Wills & Probate Registry.

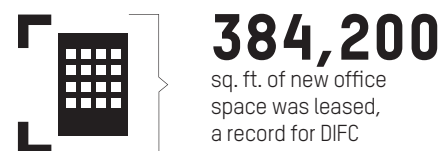
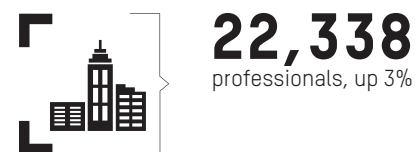
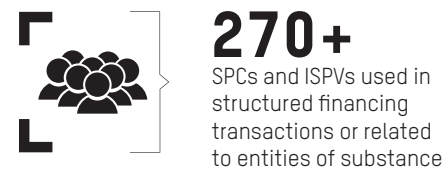




2017: A YEAR IN REVIEW



Another Record Year for DIFC



During 2017, Dubai International Financial Centre (DIFC) continued its trajectory of record-breaking growth. On average, during every workday in 2017, more than one new company was registered in the Centre, with a total of 315 new registrations, a new record for DIFC.

During the year, an additional 384,200 square feet of space was leased, a record for DIFC. This speaks to the strong potential for future employee growth in the district. As in previous years, properties owned or managed by DIFC had a 99% occupancy.

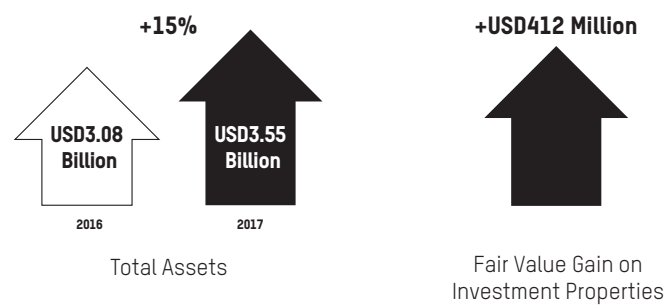
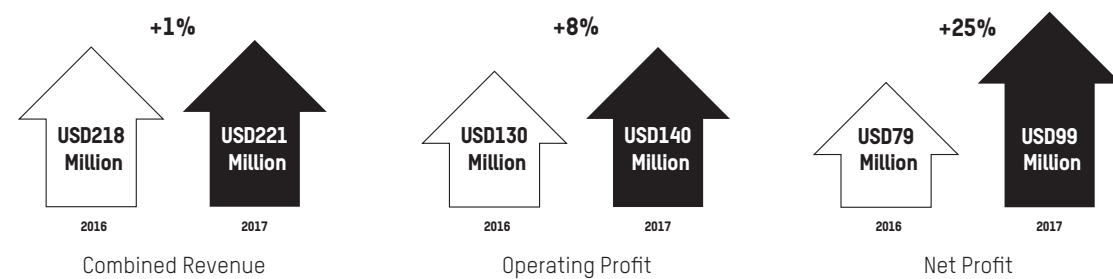
As a result, the number of active registered companies operating in the Centre rose 12% to 1,853. The number of financial firms rose nearly 6% to 473, while the number of non-financial services firms jumped 17% to 1,139 (with an additional 16 firms provisionally approved), including a record high of 213 new professional services firms.

270 Special Purpose Companies and Intermediate Special Purpose Vehicles used in structured financing transactions or related to entities of substance are now established in the Centre.

In tandem, the Centre's workforce increased to 22,338 professionals, one-third of whom are women, ensuring DIFC is a progressive and empowering financial centre with gender equality at its core.

Epitomising the specialised structures available in DIFC, these entities have played a pivotal role in the emergence of high-profile mergers and acquisitions, such as the multi-billion dollar merger between Hapag-Lloyd and United Arab Shipping Company in June 2017.

The geographic representation in DIFC remained broadly similar year-on-year, with 36% of registered firms originating from the Middle East, 33% from Europe, 11% from Asia, 10% from the United States, and 10% from other countries.





Defining a Number One Financial Centre

Just as London, New York, Hong Kong and Singapore serve as global gateways to their respective regions, DIFC Centre serves the MEASA as the leading global financial centre in the region.

Most recently this was reaffirmed in the annual International Financial Centre (IFC) rankings, released in September 2017. According to the 'Financial Times' publication The Banker, Dubai was named one of the top 10 financial hubs in the world.

A detailed look at the sub-rankings of The Banker's report shows impressive achievements as Dubai is the only city in the Middle East to be listed among the top 40 IFCs. Dubai is placed fourth in the financial services FDI category, ahead of major hubs like New York and Shanghai. It ranks fourth in both business friendliness and the percentage of foreign listings.

At the Forefront of Financial Innovation

In a number of important ways during 2017, DIFC demonstrated its commitment to shaping the future of the financial landscape in the MEASA region and to contribute to the development of its economies. These steps also reflected DIFC's alignment with the UAE's innovation agenda and drive to adopt digital technologies.

One of the most prominent examples was FinTech Hive at DIFC, the region's first-of-a-kind accelerator launched in 2017. During the year, it selected 11 finalists for its first cohort of start-ups that worked alongside financial institutions operating in DIFC to create solutions that address the evolving needs of the region's financial services industry.

Among the 11 finalists was Sarwa, the first hybrid automated investment management platform in the Middle East. Following the completion of the first FinTech Hive programme, it became the first company to receive the Dubai Financial Services Authority's Innovation Testing Licence (ITL), which gives FinTech firms special dispensation to develop and test new technologies within DIFC's regulatory framework.

Further extending its regional leadership in FinTech, DIFC announced in November 2017 the launch of a US\$100 million FinTech start-ups fund to help establish and grow companies at any stage between start-up and growth. Focused on serving MEASA markets, the firms will benefit from the Centre's FinTech Innovation Testing Licence, market leading pricing and collaborative work spaces.

It's no surprise that the FinTech ecosystem in the Centre has grown quickly to encompass a community of more than 45 partners. Participants – both local and international – include Abu Dhabi Islamic Bank, Citibank, Dubai Islamic Bank, Emirates Islamic, Emirates NBD, HSBC, Mashreq, Network International, RAKBANK, Standard Chartered and Visa and strategic partnerships with Dubai Islamic Economy Development Centre (DIEDC), International Finance Corporation and UAE Exchange.

These efforts are aligned with the Government of Dubai's innovation agenda and are being followed by the introduction of two programmes that focus on InsurTech and RegTech. InsurTech will focus on start-ups that specialise in finding technological solutions for insurance companies, while RegTech will focus on companies specialised in issues pertaining to regulation.

The scale of innovation in DIFC is no surprise, given that boldly breaking new ground has been woven into DIFC's DNA since its establishment in 2004. At that time, the very concept of DIFC – with its unique structure, legal and regulatory framework and offering – was a new frontier for the MEASA region. This heritage has been maintained for 14 years, as DIFC has consistently been the first financial centre in the region to pioneer new sectors and support new specialisations.



Building an Enabling Business Environment

Since its founding, DIFC has recognised that beautiful buildings and other physical infrastructure are only a part of what makes a world-class financial centre. It also requires extensive soft infrastructure that ranges from enabling legislation to executive education to appealing lifestyle and leisure offerings.

Alongside hundreds of seminars, workshops and presentations to help companies and people based in the Centre keep at the forefront of their industries, in 2017 DIFC held its inaugural Global Financial Forum.

Held under the patronage and in the presence of His Highness Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum, Deputy Ruler of Dubai and President of DIFC, the conference gathered more than 500 executives and senior leaders from the world's financial services industry to discuss global economic trends. Panel sessions, plenary interviews and keynote speeches covered topics ranging from blockchain and FinTech to emerging markets and South-South trade.

Another major initiative introduced in 2017 to deepen DIFC's role as a knowledge hub was the launch of The Academy, a platform for the delivery of world-class executive education. The Academy works in partnership with leading business schools and universities from around the world to deliver a range

of executive education programmes targeted to the DIFC workforce and broader regional financial services sector. Those partnerships include City University of London, London Business School, The Wharton School and the Financial Times | IE Business School.

The Academy represents a major component of DIFC's ongoing efforts to develop the next generation of financial professionals from the region. This new generation will, in turn, contribute to the development of the MEASA financial sector.

Other less visible assets that contribute to the Centre's vitality include the six state-of-the-art Business Centres that provide small companies and firms looking to explore opportunities in this region with flexible office solutions.

Another important example of the Centre's multifaceted approach to addressing all important needs of financial services firms is the work put into developing and updating DIFC's internationally recognised Data Centre. It is the first in the UAE to receive the Management and Operations (M&O) Stamp of Approval from Uptime Institute for providing a resilient and dynamic infrastructure that eliminates and mitigates risk while providing maximum uptime.





A Robust Legal and Regulatory Framework

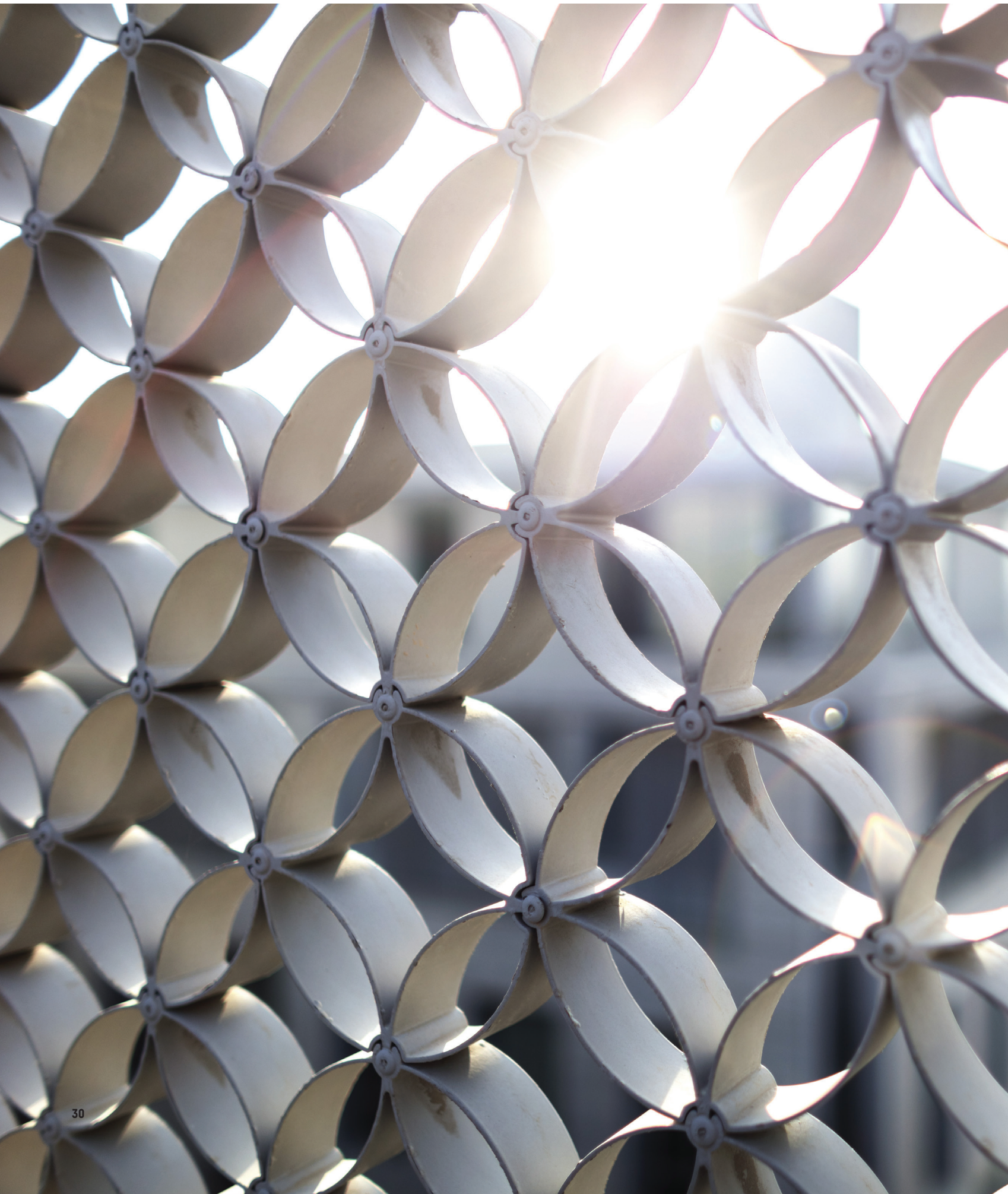
DIFC established the first legal framework in the region based on UK Common Law, alongside a robust regulatory infrastructure recognised as an equivalent to European standards. Building on this, the three independent DIFC bodies – the DIFC Authority, Dubai Financial Services Authority and Dispute Resolution Authority – continue to work closely together to ensure the Centre adopts laws and regulations that stay ahead of market trends.

In 2017, the Centre’s public consultation process presented two legislative changes to industry participants for their feedback. The first concerned steps to enhance the wealth management and succession planning framework in the Centre. The proposed new Trust Law regime and a new Foundation Law regime for public consultation that would impact both conventional and Sharia-compliant wealth and asset management products and services.

The second proposed change through a new DIFC Companies Law regime would ensure better shareholder and creditor protection and provide greater certainty and flexibility for companies.

Meanwhile, two proposals, previously put out for consultation were enacted into law in 2017. Addressing two areas of great relevance to financial services industry practitioners today – tax compliance and digital documents and digital signing – DIFC demonstrated its proactive approach.

These laws included the DIFC Laws Amendment Law (DIFC Law No. 1 of 2017 to ensure that DIFC fully complies with the requirements set out by the OECD Global Forum on Transparency and the Exchange of Information for Tax Purposes. The second law, the new Electronic Transactions Law (DIFC Law No. 2 of 2017), clarifies that for all purposes in DIFC that electronic signatures are enforceable, electronic records have equivalent effect to hard copies, and references to “writing” include electronic means.



Forging Local and International Partnerships

Another core aspect of DIFC's work to remain a premier business location is cooperation with international partners to facilitate the exchange of best practice and promote the Centre. Such efforts in 2017 extended from France and India to Dubai.

Through an updated Memorandum of Understanding (MoU), DIFC and its French counterpart Paris Europlace agreed to collaborate regarding best practices and knowledge sharing, with a focus on FinTech, financial inclusion, and identifying optimal regulatory and business structures.

In an MoU between DIFC and the Gujarat International Finance Tec-City (GIFT), the two parties agreed to explore cooperation in areas such as establishing bilateral reciprocity for firms based in DIFC and GIFT. This would enable those firms to set up entities in Gujarat and Dubai on mutually agreed terms.

In an agreement with the Mumbai Metropolitan Region Developmental Authority, which is an urban town planning and development authority established by the Government of the State of Maharashtra, DIFC would support the authority in setting up an international financial centre that would aspire to be the financial capital of India.

Closer to home, DIFC signed an MoU with the Dubai Land Department that simplifies the land owner registration process with the department for DIFC based companies, partnerships, foundations, Real Estate Investment Trusts (REITs) and real estate funds.

An agreement with Dubai Economy (the Dubai Department of Economic Development) allows non-regulated DIFC-registered companies to obtain licenses to operate in onshore Dubai.



The Home for Leading Banks from Every Corner of the World

As the leading financial centre in the MEASA region, DIFC is at the heart of a US\$7.4 trillion economy and dynamic mergers and acquisitions market. During the first nine months of 2017, the value of inbound MSA transactions in the Middle East recorded an all time high of US\$7.3 billion, a 220% increase over the same period a year earlier.

The region's enormous business potential, combined with DIFC's vibrant ecosystem, its world class legal and regulatory environment, and its support to conventional and Islamic banking, continue to attract leading global banks and top MSA firms to the Centre.

More than 180 financial institutions, including 17 of the world's top 25 banks, operate from DIFC, with a combined balance sheet of more than US\$150 billion. Many of the world's most recognised names in banking have a presence in DIFC, while China's four largest banks and 10 of India's most significant banks operate in DIFC with full banking licenses.





The Marketplace of Opportunity for Insurance & Reinsurance

As an emerging market with low levels of penetration across a range of insurance and reinsurance classes and sectors, the Middle East, Africa and South Asia (MEASA) region has an abundance of untapped potential. This has attracted both global and regional players looking to access the Gulf Cooperation Council, Africa, Levant, CIS and Indian Sub-Continent markets.

The insurance and reinsurance sector has seen a notable acceleration of growth in DIFC. The Centre now has such a large number of firms operating in the field that they have established the DIFC Insurance Association – the first trade association in DIFC. The Centre also hosts providers of specialist insurance and reinsurance lines, bolstered by Lloyd’s of London, the world’s largest global insurance market, establishing operations in DIFC in 2015.

Today, the Centre is home to more than 108 insurance related entities – including 31 underwriting agents – with approximately US\$1.7 billion in premiums brokered from the Centre.

The Largest Fund Jurisdiction in MEASA

The region’s vast pools of wealth and growing appetite from both institutions and high-net-worth individuals for specialist investment and wealth management products are driving business opportunities for DIFC clients operating in the field of fund management.

Wealth managers from the world’s two largest emerging economies – China and India – are increasingly looking to Dubai as a viable alternative location for their operations. In just the past 10 years, China’s four largest banks have brought US\$25 billion in assets under management to the Centre.

DIFC has comprehensively refreshed its value proposition with a more sophisticated legal framework for wealth management firms. The Centre has attracted 195 asset management companies and specialist global advisors, including 12 of the world’s 25 top asset and money managers.

They enjoy the flexibility of a number of different fund structures, as well as DIFC’s tried and tested investment entities: the Intermediate Special Purpose Vehicle (ISPV) and Special Purpose Company (SPC).



The World's Leading Corporates and Professional Services Providers Under One Roof

Non-regulated sectors, including Corporate Offices and Professional Services Providers, are integral enablers of the DIFC ecosystem. Today, the Centre is the destination of choice for almost 60 law firms, including seven of the top 10 worldwide, all of the Big Four accounting firms, the largest global management consultancy firms, and corporate offices for leading regional and global companies.

Professional services firms benefit from proximity to a deep pool of prospective clients. Meanwhile, corporate offices are attracted to the certainty offered by DIFC's legal and regulatory infrastructure, flexibility of structures and the ability to transfer domicile across jurisdictions. This is a key consideration for families looking for a base for all, or part, of their business, as well as succession planning.

DIFC is continuing to build on its offerings and environment for private wealth management and succession planning on both a conventional and Shari'a-compliant basis. In addition, a number of other laws are being drafted and revisited in line with recommendations from the DIFC Wealth Management Working Group.

The Centre also offers specialised laws and regulatory regimes for highly flexible corporate structures used by regional companies and international conglomerates across a broad spectrum of industries such as transport, education and energy. ISPVs and SPCs have become a preferred tool for financial transactions.





Bridging the Gap at the Crossroads of the Islamic World

DIFC is well positioned to drive the development of Islamic Finance in the region through its robust legal and regulatory framework that aligns with Shari'a requirements and DIFC's commitment to addressing issues such as financial inclusion and infrastructure investment – both of which are embedded in Islamic principles.

DIFC, which sits at the strategic crossroads of the Middle East, Africa and South Asia (MEASA) region – a region that encompasses the 10 largest Muslim countries by population, is home to Nasdaq Dubai – one of the world's largest exchanges for Sukuk with listings valued at US\$50.3 billion – and more than 29 Islamic financial institutions and conventional institutions operating an Islamic window.

Supported by the vision of the leadership of Dubai to establish the emirate as the capital of the Islamic economy, DIFC is working closely with entities such as the Dubai Islamic Economy Development Centre (DIEDC) to realise these goals. For example, DIEDC and FinTech Hive at DIFC are collaborating to nurture Islamic FinTech.

All of these efforts are driven by a need to better serve the world's Muslim population, which is set to grow to 1.9 billion by 2020 and to better manage Islamic finance assets that are expected to reach US\$3.5 trillion by 2021.

Beyond a Financial Centre...a Premium Destination

More than a leading financial centre, DIFC has evolved into one of Dubai's most sought after business and lifestyle destinations. Elements of this include a carefully curated arts, culture, retail, restaurant and cafe offering, as well as state-of-the-art residential towers, public green areas and five-star hotels. Together, these features make DIFC an attractive after-work destination for its 22,338 professionals, as well as for those living in and visiting the Centre, and others in Dubai.

Reflecting this, development continues on a number of mixed-use projects set to open in 2018. They include Gate Avenue at DIFC, The Exchange office building in Gate Village, which will extend the Centre's mixed-use offering, and the ICD Brookfield Place tower.

During 2017, significant progress was made on Gate Avenue at DIFC ahead of its 2018 opening, while preparations were made to hand over a large number of retail units to tenants for design and fit-out work. The excitement surrounding the premium urban retail, leisure and cultural development was reflected in the project winning the Future Retail Project Award at Cityscape Global 2017. Gate Avenue will add 200 dining, boutique, retail and entertainment outlets.

Gate Avenue at DIFC will be a first of its kind urban retail development. At 880 metres, the development will connect the entire district with its 660,000 sq. ft. of premium air-conditioned and open-air promenades.

The Exchange is the 11th building in the mid-rise DIFC Gate Village. Across a total built-up area of 147,000 sq. ft., The Exchange will offer 114,000 sq. ft. of office space and nearly 33,000 sq. ft. for retail, restaurants and cafes.

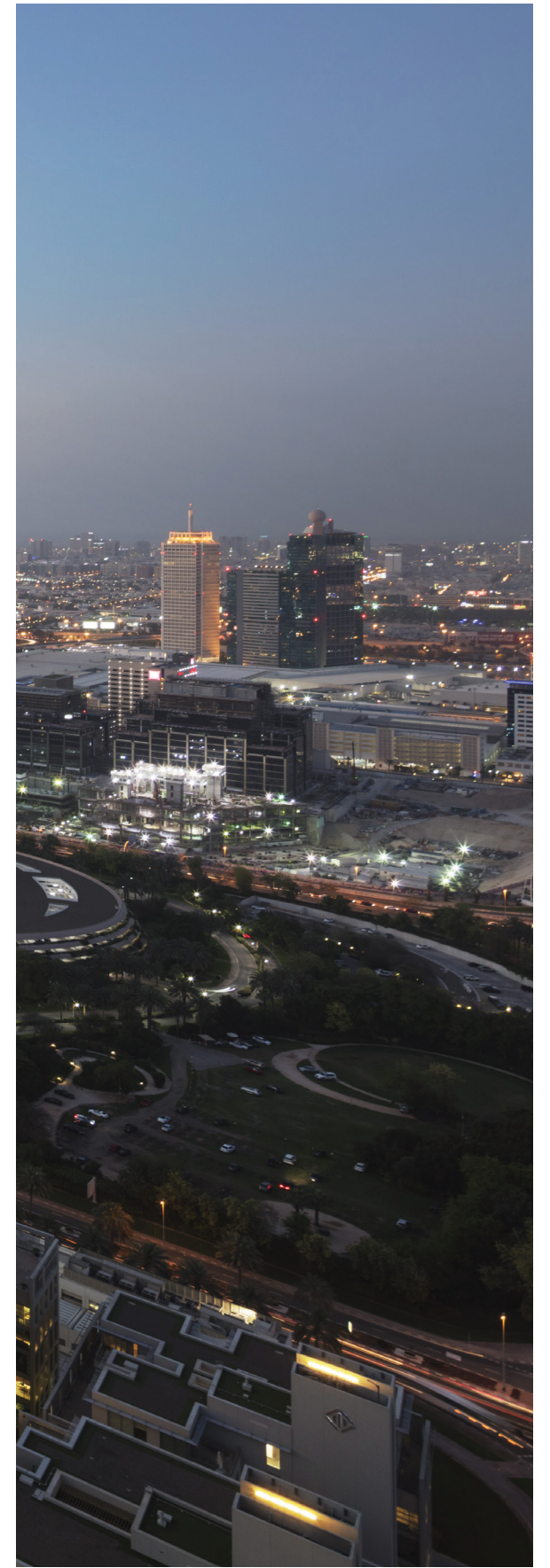
The district will be further enhanced with the addition of the 54-storey, 282-metre-high ICD Brookfield Place tower, which includes office, residential and retail space. It offers more than 900,000 sq. ft. of Grade A office space and is connected to a 150,000 sq. ft., five-storey retail centre.

The entire district, meanwhile, continued its sustainability drive through the ongoing upgrade to the district's existing buildings, including the replacement of 30,000 LED lightbulbs over six years that will drive energy savings of 72%.





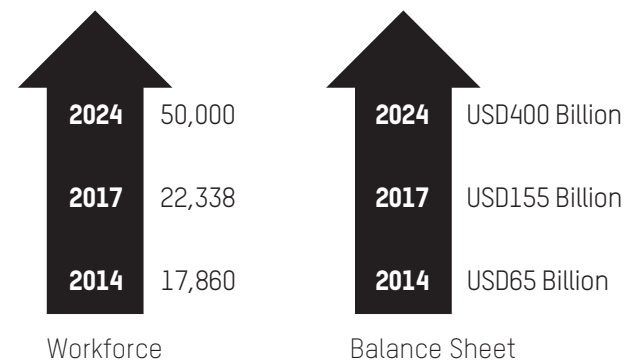
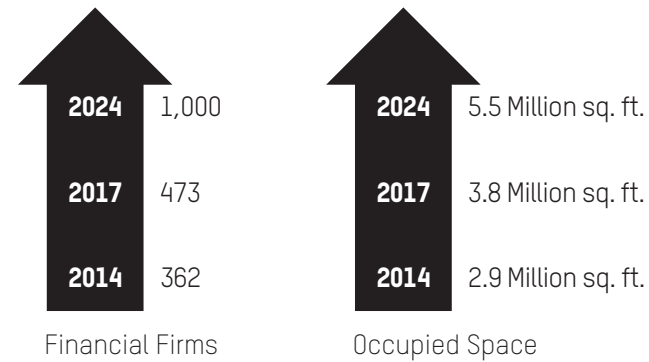
A LOOK AHEAD FOR THE DIFC



Strong Progress Towards 2024 Targets

In line with its 2024 Strategy, DIFC is set to triple in size over the course of a decade by focusing on facilitating trade and investment across the South-South corridor – a geography that extends from Latin America, through to Africa, India, and China. DIFC will also deepen its core client base and build relevance in key global sectors, such as Islamic Finance, Family Business and Wealth & Asset Management.

The Centre will also see growth driven by the disruption of existing business sectors through the introduction of new technologies, the exploration of new business sectors, and the ongoing enhancement of the Centre’s legal, regulatory and physical infrastructure.



In 2017, DIFC made significant headway towards meeting the ambitious targets set out in 2015, substantial progress across all metrics

In Conversation with Arif Amiri, Chief Executive Officer, DIFC Authority



These areas of focus are supported by our ongoing development of hard and soft infrastructure for which we are already well recognised: the built environment, transparent and tested laws and regulations, and collaboration with partners to deliver greater value to the DIFC location and ecosystem.

Q. DIFC’S 2024 GROWTH TARGETS LOOK QUITE AMBITIOUS. CAN YOU DESCRIBE HOW YOU EXPECT TO SEE MORE THAN 500 NEW FINANCIAL FIRMS COME TO THE CENTRE OVER THE NEXT SEVEN YEARS?

A. What’s important to emphasise is that growth is being achieved through incremental increases across a wide set of drivers. As the leading financial centre in the MEASA region – a region with a combined GDP of US\$7.4 trillion – we expect particularly strong growth to come from Islamic finance, family offices and family businesses as well as wealth and asset management.

DIFC serving as a principle global enabler of South-South trade and investment will be another main contributor, particularly in deepening the integration between Asian and Middle Eastern banks to upgrade regional trade and project finance. We’re also going to play an important role in increasing international asset managers’ engagement across MEASA.

Beyond that, we are committed to being a pioneer, if not a disruptor, in bringing new technologies to finance. FinTech is just one example, and so is InsurTech and RegTech.

Q. ARE THERE ALSO MORE BROAD-BASED DEMOGRAPHIC FACTORS THAT YOU EXPECT ALSO WILL SUPPORT DIFC’S GROWTH?

A. Absolutely. Not only is there solid demographic growth across the MEASA region, and large population of young people, but there is data showing that over half the 3 billion people living in the MEASA region are unbanked.

A study by the Economist Intelligence Unit and sponsored by DIFC reported last year that in the Middle East, Africa and South Asia, 86%, 66% and 46% of adults, respectively, do not have traditional bank accounts. That results in situations where more than 90% of people living in MEASA emerging market economies do things like pay school fees and utilities by cash.

This represents a huge opportunity for growth in financial services, particularly given other trends, such as deepening mobile and technology penetration, government reforms and a renewed focus on education.

As these populations become part of the formal banking sector, it will create demand for financial services up and down chain, from retail to wholesale to investment banking and from wealth management to insurance.

Q. TECHNOLOGY IS TRANSFORMING FINANCIAL SERVICES. IS IT IMPACTING INTERNATIONAL FINANCIAL CENTRES TOO? WHAT IS DIFC DOING IN RESPONSE?

A. We approach this issue from the view that whatever impacts the organisations and firms operating in DIFC impacts us. With our responsibility to help shape the future of financial services in the region and to empower DIFC based companies, we need to be absolutely proactive and forward thinking about the role of technology in the world of finance. In fact, we feel an obligation to stay ahead of these trends.

That's why we were the first financial centre in the region to launch a FinTech accelerator (FinTech Hive at DIFC), the first to launch an Innovative Testing License for FinTech firms and the first to license its first firm. We also led the region in launching our US\$100 million FinTech start-up fund and will lead again in the fields of InsurTech and RegTech.

Our obligation to lead is also why we are a founding member of the Global Blockchain Council, formed last year by the Dubai Future Foundation to promote use of blockchain's distributed ledger technology.

Blockchain will revolutionise the world of finance, and we're working to enable firms operating in DIFC to be at the forefront of this development.



Q. WE SEEM TO BE IN A "NEW NORMAL" (PARTICULARLY IN THE GCC) THAT INCLUDES LOWER OIL PRICES, THE EMBRACE OF THE PRIVATE SECTOR, CONTINUED REFORMS IN AREAS SUCH AS SUBSIDIES, AND A SENSE THAT LONG-HELD ASSUMPTIONS COULD CHANGE AT ANY TIME. HOW DOES THIS NEW ENVIRONMENT IMPACT THE REGIONAL FINANCIAL SERVICES INDUSTRY?

A. While change is always unsettling, the reality is that the transformations underway are creating tremendous opportunities in the financial services sector. Virtually every aspect of these reforms has an impact on our industry.

From privatisations, to public private partnerships to the growing role for the private sector – these all point to a need for specialised services, particularly in equity and debt capital markets, mergers & acquisitions and capital markets. They create greater demand for insurance and reinsurance products. Huge areas of these economies are opening up to investment, whether as direct foreign investment or as inflows into increasingly open equity markets.

Anchored by the stable, strong growth and development in the United Arab Emirates and Saudi Arabia's Vision 2030, it's no exaggeration to say that this is one of the most promising eras for the financial services sector this region has ever seen.

Q. INSURTECH AND REGTECH BOTH SOUND EXCITING. CAN YOU TALK MORE ABOUT WHAT THEY ARE AND WHY DIFC IS MOVING FORWARD TO SUPPORT THESE FIELDS?

A. InsurTech will focus on start-ups that specialise in finding technological solutions for insurance companies. Given this industry's tendency toward caution, it's important we raise awareness among DIFC-based firms in this sector regarding the opportunities and advantages of technology for this sector.

RegTech will focus on companies specialised in issues pertaining to regulation. It will create a safe space for people to invest, create, and test products addressing regulatory issues. With regulation such an important topic today, particularly in a region where companies face diverse regulatory requirements, we think there is great promise for breakthroughs in this field.

We're very excited by the Dubai Financial Services Authority's Innovation Testing Licence (ITL) because it's allowing firms to develop and test innovative concepts within DIFC's framework – without the normal regulatory requirements but still under supervision that protects customers. After six months or a year, the idea is that firms will be ready to migrate to full authorisation and normal regulatory oversight.

Q. GATE AVENUE IS SCHEDULED TO OPEN IN 2018. WILL IT SIMPLY EXTEND THE ARCHITECTURE, AND RETAIL AND LEISURE OFFERINGS ALREADY WELL ESTABLISHED IN DIFC, OR IS IT SOMETHING DIFFERENT?

A. Gate Avenue absolutely extends the architecture and landscaping that DIFC is rightfully celebrated for, and in doing this, it moves us quite significantly beyond being solely a world-class financial centre. It reinforces how DIFC also is a premium place to live and destination for leisure and lifestyle activities.

That said, Gate Avenue also brings several new elements. Firstly, it will transform the entire district by connecting all elements of the Centre's master plan and thereby create a much larger community of workers, visitors and residents. Secondly, it combines an outdoor Promenade with shading and landscaping appropriate to this region with an elegant below ground air-conditioned retail and dining district. Gate Avenue at DIFC will also bring distinctive iconic architectural features, such as the mosque with ultramodern architecture to rival any in the region and the three "mini" versions of the Gate Building along the Promenade.

We've designed Gate Avenue to provide an environment unlike any in Dubai or the wider region. Like the original Gate District, Gate Avenue will bring something entirely new. By contributing to the attractive architecture and infrastructure at DIFC, Gate Avenue also contributes to our 2024 Strategy and supports our growth goals.



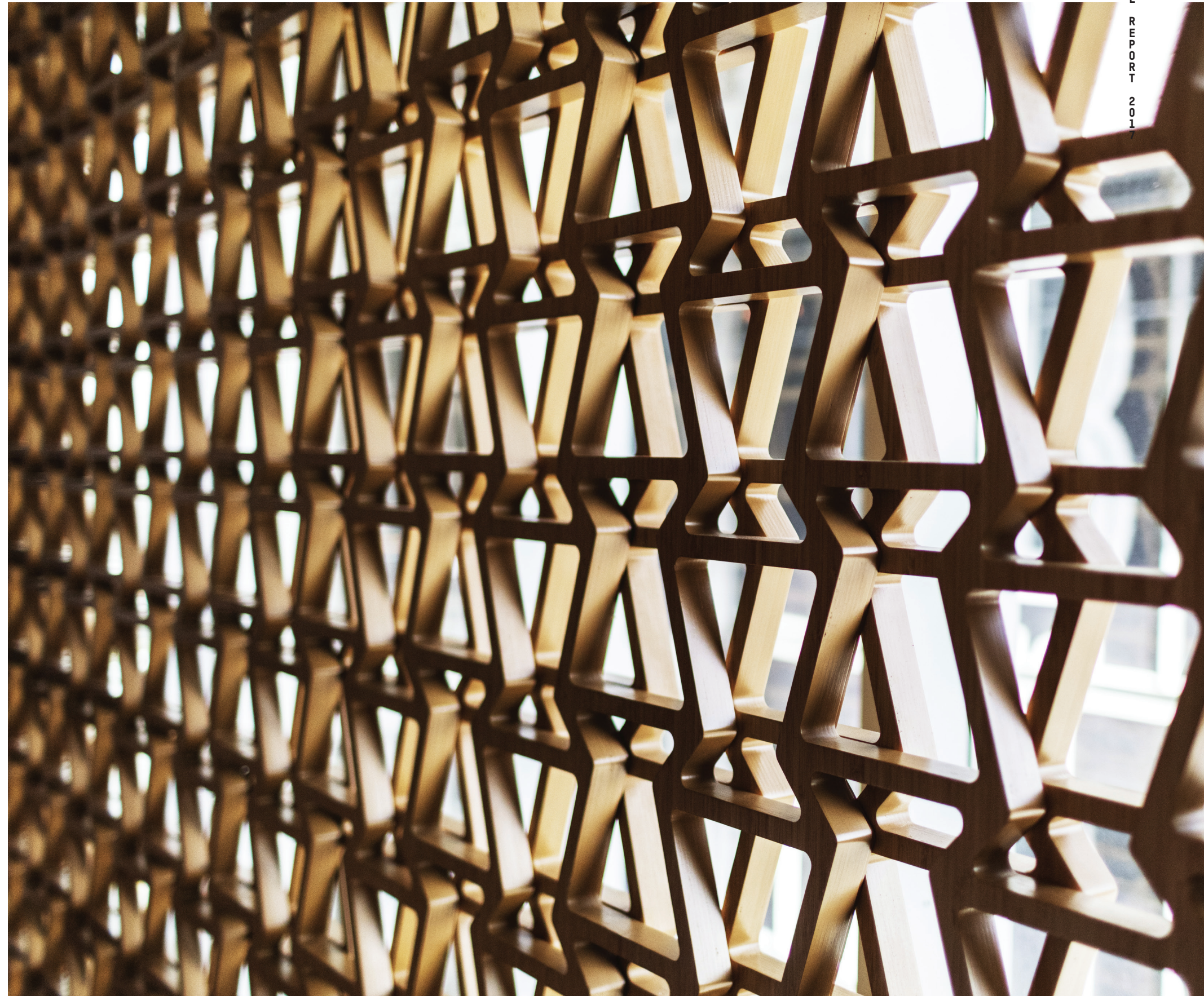
Q. FOR MANY YEARS, DIFC HAS HOSTED ACADEMIC INSTITUTIONS. HOW IS THE ACADEMY AT DIFC DIFFERENT? HOW WILL COMPANIES AND EMPLOYEES IN THE CENTRE LEVERAGE ITS OFFERINGS?

A. The Academy strengthens DIFC commitment to the development of human capital and the building of financial knowledge in the region. What differentiates The Academy is that we are curating a carefully designed programme of executive education courses to meet the current and future needs of this region, and the DIFC professionals and wider financial services practitioners working here.

We are also collaborating with some of the world's most respected and effective executive education providers to bring courses that convey new skills and keep DIFC based professionals at the top of their industries.

For example, we are working with these educational institutions to develop new courses in areas such as FinTech and leadership that are customised for this region. This is similar to the way we collaborated to bring Islamic finance classed to DIFC a decade ago.

The effectiveness of The Academy is built on more than a decade of providing executive education to the Centre and to the region. As a result, the courses themselves and the selection of courses reflects this experience and this partnership over the years.





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