



DIFC

Dubai  
International  
Financial  
Centre



**Your Gateway to Growth**

# Wealth Of Opportunities

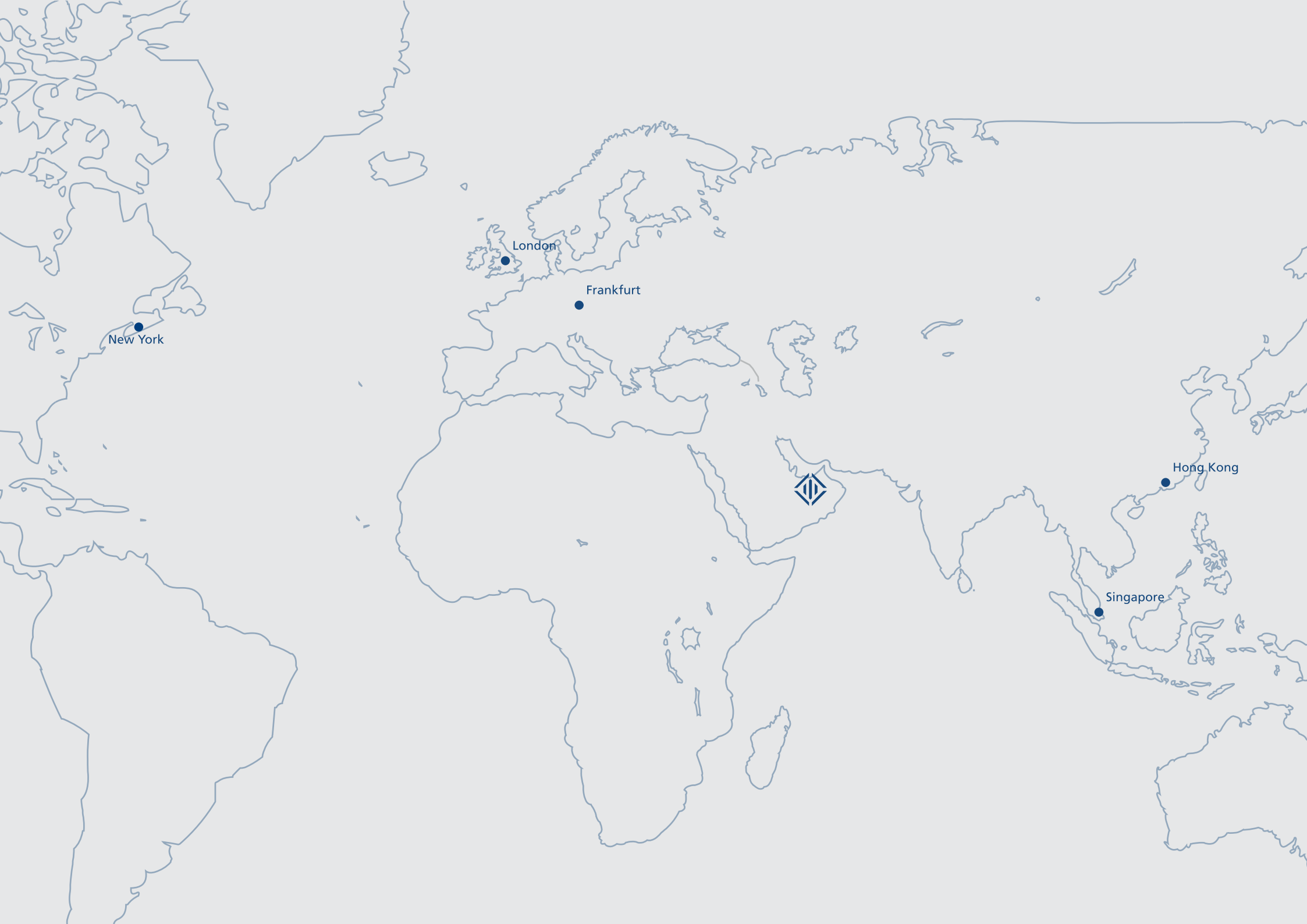
## A platform to tap the world's largest emerging financial markets

As the only truly global financial centre in a vast region encompassing the Middle East, North and East Africa, the Caspian and South Asia, the Dubai International Financial Centre (DIFC) offers the ideal platform for tapping the world's largest emerging market for financial services.

With economic growth slowing down in developed countries, global investors are turning to emerging markets in this region for faster growth and greater returns. With a combined GDP of \$ 2.5 trillion, a population of 2.2 billion and an annual growth rate of 7 per cent, the region offers a wealth of untapped opportunities.

The Dubai International Financial Centre has been designed to:

- attract regional liquidity back into investment opportunities within the region and contribute to its overall economic growth
- facilitate planned privatisations in the region and enable initial public offerings by privately owned companies, giving impetus to the programme of deregulation and market liberalization throughout the region
- create added insurance and reinsurance capacity
- develop a global centre for Islamic finance - this is now a \$400 billion plus international market serving large Islamic communities stretching from Malaysia and Indonesia to the United States



New York

London

Frankfurt

Singapore

Hong Kong





# Dubai

## The region's pre-eminent business hub

One of the world's great success stories in diversified economic development, Dubai is the pre-eminent business hub in the region.

A cultural and economic bridge between the East and the West, Dubai is the fastest growing city in the Middle East. Several global companies leverage Dubai as a strategic base to tap markets in the Middle East, North Africa and beyond.

Its advanced infrastructure, visionary governance, multi-lingual human capital, and easy access to the region between Western Europe and East Asia have enabled it to attract considerable investments.

Dubai leads the Middle East in business freedom and a host of economic indices. It is the place where new business paradigms are first accepted and the latest technologies are first adopted in the region.

Dubai has a well-diversified economy based on international trade, banking and finance, information and communication technology, tourism and real estate. In 2005, oil contributed less than 6% of Dubai's GDP; down from around 50% in 1985 and 24% in 1993.

By 2010, the share of oil in the economy is expected to be less than 1% of GDP. Between 2000 and 2006, Dubai's GDP grew by a cumulative annual growth rate (CAGR) of 13 % in real terms.

The economic diversification is continuing with the establishment of new industries, private sector growth through acquisition and increased regional integration.

# DIFC

## The world's fastest growing financial centre

Since its launch in 2004, DIFC has quickly grown into a global hub for institutional finance and a gateway for capital and investment in a region stretching from North Africa to the Indian subcontinent.

By providing internationally-benchmarked regulations, best-of-breed infrastructure and support services, DIFC fills the time-zone gap for a global financial centre between the existing financial hubs of London and New York in the west and Hong Kong and Tokyo in the east. Guided by its core values of integrity, transparency and efficiency, DIFC seeks to play a pivotal role in meeting the growing financial needs of the region.

Through one of its initiatives, the Dubai International Financial Exchange (DIFX) now known as NASDAQ Dubai, DIFC provides investors with a larger and more liquid securities market than what exists elsewhere in the region.

NASDAQ Dubai, now an independent international exchange, provides governments and companies across the world access to regional investment opportunities. It is anticipated that overseas companies will seek to have their shares dual-listed in NASDAQ Dubai to access the large pool of capital in the region.

Financial institutions can apply for licenses to operate within DIFC. DIFC is today a community of more than 600 companies that include the world's leading financial services companies. Global companies in DIFC include Standard Chartered, Credit Suisse, HSBC, Barclays Capital, JP Morgan, Morgan Stanley, Deutsche Bank, Citigroup, Goldman Sachs and Mellon Global Investments.



Vision

To shape tomorrow's financial map as a global gateway for capital and investment

Mission

To be a catalyst for regional economic growth, development and diversification by positioning the DIFC as a globally recognised financial centre



As a new global jurisdiction for financial institutions, DIFC offers companies a highly attractive investment environment, including:

- 100 per cent foreign ownership
- Zero percent tax rate on income and profits
- A wide network of double taxation treaties
- No restriction on foreign exchange
- Freedom to repatriate capital and profits
- High standards of rules and regulations
- Ultra-modern offices and sophisticated infrastructure
- Operational support and business continuity facilities of uncompromisingly high standards

DIFC is made of the following core bodies:

### **I. Dubai Financial Services Authority (DFSA)**

The Dubai Financial Services Authority (DFSA) is an independent regulatory authority responsible for the regulation of financial and ancillary services in DIFC. Its primary functions include policy development, enforcement of legislation and authorisation and supervision of DIFC licensees. It oversees the full range of services in DIFC including asset management, banking, securities trading, Islamic finance, re-insurance. It also regulates the Dubai International Financial Exchange. The DFSA was created using principle-based primary legislation modelled closely on that used in London and New York, and the DFSA regulatory regime operates to standards that meet or exceed those applying in the world's major financial centres.

### **II. DIFC Authority (DIFCA)**

The DIFC Authority is responsible for developing strategy and providing direction to the Dubai International Financial Centre (DIFC). It works to attract licensees to operate in DIFC and creates laws and regulations that govern non-financial services activities. One of the DIFC Authority's main tasks is to develop the financial services industry in Dubai. In January 2008, the DIFC Authority was awarded

an International Organisation for Standardisation (ISO) certification in recognition of its commitment to continuous quality management and improvement of the services and operations at DIFC.

- DIFC Investments is a wholly-owned subsidiary of DIFC Authority created to launch initiatives that will support the development of companies in DIFC and make strategic investments and acquisitions that can fill market gaps and stimulate financial industry growth.
- The DIFC Registrar of Companies is a corporation sole, administered by the DIFC Authority, that is responsible for incorporating and registering all the companies that will operate within DIFC, from multi-billion dollar financial institutions to non-financial registrants seeking to establish a presence in the DIFC.

### **III. The DIFC Judicial Authority**

The DIFC Judicial Authority is an autonomous body responsible for administering and enforcing civil and commercial laws in DIFC. The DIFC Courts, including both trial and appellate courts, deal exclusively with cases and claims arising from DIFC-registered entities.



# DFSA

## Globally-benchmarked legal and regulatory framework

At the heart of the DIFC concept is an independent regulator, the Dubai Financial Services Authority (DFSA), which grants licenses and regulates the activities of financial institutions in DIFC.

Staffed by experts with experience of working at leading regulatory agencies around the world, the Dubai Financial Services Authority (DFSA) has set uncompromisingly high standards in creating a regulatory and legal framework built on global best practices. DFSA has been created using principle-based primary legislation modelled closely on that used in London and New York.

The DFSA is committed to the success of the DIFC concept through clear and effective regulations that encourage a strongly competitive environment. They are written in English and benefit from extensive consultations with leading financial institutions and their professional advisors. They are easy to apply, but extremely difficult to abuse.

Firms wishing to join DIFC need to be authorised by the DFSA, which requires a demonstration of fitness and propriety. For more information, log on to [www.dfsa.ae](http://www.dfsa.ae)



# DIFC Authority

## Steering the development of DIFC

The DIFC Authority is the body charged with the overall strategy, management and marketing of DIFC. Established by Federal Law, the DIFC Authority's remit extends from providing overall direction and supervision to the development of the financial district to attracting licensees to operate in the Centre. The DIFC Authority is also responsible for the creation of laws and regulations to cover all aspects of non-financial activities that are not regulated by the DFSA, including administering the employment law, companies and commercial laws, and real estate law.

The DIFC Authority assists companies seeking to join DIFC at every stage of the application process - from providing research and assistance in the development of business plans to the licence application process and obtaining visas and residency permits. Through its dedicated relationship managers, the DIFC Authority guides licence applicants through the entire process, offering a seamless, efficient and professional service. Details of the DIFC Authority licence application process can be found online on [www.difc.ae](http://www.difc.ae)

# DIFC

## Primary sectors of focus

DIFC comprises of the following sectors of activity:

- Banking and Brokerage
- Wealth Management
- Re-insurance and Captives
- Islamic Finance
- Ancillary Services

### Banking and Brokerage

Businesses in the region have traditionally sourced their funding from domestic lenders at often inefficient, expensive and illiquid cost. Similarly, underdeveloped capital markets have forced local investors and borrowers to seek opportunities in international markets. However, the growing programme of liberalisation and privatisation in the region, a rising need for IPOs and secondary offerings, the growth of foreign direct investment and the rapid expansion of regional trade, is driving demand for more sophisticated forms of financing. DIFC acts as a catalyst to facilitate the mobilisation of capital. It intends to be the regional gateway for investment banks and other financial institutions who wish to establish underwriting, M&A advisory, venture capital / private equity, foreign exchange, trade finance and capital markets operations to service a large and relatively untapped market.

### Wealth Management

DIFC provides an onshore centre offering a wide range of investment opportunities, such as mutual funds, exchange traded funds, open and closed-ended investment companies, index funds, hedge funds, consultant wrap accounts and Islamic compliant funds. Furthermore, DIFC will provide an ideal environment and a highly skilled work force to asset management firms and private banks for their fund registration and administrative functions.

### Re-insurance and Captives

The penetration and density of insurance in the region has been significantly below average global levels. Statistics show that the sum of insurance premiums in the Middle East is much below developed and developing markets. However, with economic growth, industrialisation and improved regulation, the region is experiencing a changing attitude towards risk and an increased awareness of the need for insurance. Due to slow growth in more mature markets, the world's insurance and re-insurance companies are now assessing markets such as the Middle East. DIFC has set out to create a global insurance hub by attracting global re-insurance companies, brokers, captives and other service providers.

### Islamic Finance

Islamic finance is a US\$400 billion industry, growing at a rate of over 15% per annum. DIFC's ambition to become the global hub for Islamic finance comes at a very interesting time in the market's development. Each Islamic market has developed relatively independently, setting its own regulations and standards, developing a wide variety of products with different benchmarks and pricing techniques. This has now been recognised as untenable if the industry is to grow, respond to the needs of Islamic investors and be given global recognition. There is increasing recognition that collaboration is the key to competitiveness. DIFC's ground-up approach puts Dubai in a leading position to establish global standards for Shari'a compliance that will foster cross-border trading and product innovation.

### Ancillary Services

In addition to the above sectors of financial activity, DIFC will continue to attract high-calibre ancillary service providers, thereby providing a fully robust platform to support the operational needs of financial institutions. These services will include accounting and legal practices, actuaries, management consultants, recruitment firms, and market information providers, among others. The expertise that the world's major international professional services firms has brought to DIFC has contributed towards building a world-class international financial centre. DIFC offers these service providers with the kind of unique opportunities that can come only from locating their operations in a hub which is in close physical proximity to a wealth of business opportunities, including significant cross-border synergies across multiple industries and functions.

# DIFC Courts

## Independent judicial authority

DIFC has created an independent court system, the DIFC Courts, to uphold its laws and regulations. The DIFC Courts have exclusive jurisdiction over all civil and commercial disputes within the geographic area of DIFC, including bodies and companies registered in DIFC.

The laws establishing the DIFC Courts have been designed to ensure the highest international standards of legal procedure thus ensuring that the DIFC Courts provide the certainty, flexibility and efficiency expected by the global institutions operating within DIFC. Designed to deal specifically with the sophisticated transactions conducted within the DIFC, the DIFC Courts provide comprehensive legal redress in civil and commercial matters.

The Rules of the DIFC Courts are modelled on English Civil Procedure Rules (CPR). They were created following extensive consultation and review of international best practices. The provisions of the Rules of DIFC Courts will be familiar to many international practitioners and their clients. They balance ease of use with practical guidance.

Along with the highest standards in legal dispute resolution and a judicial system based on international best practices, DIFC Courts provide a small claims tribunal and dispute resolution services, including arbitration and mediation. For more information, log on to [www.difccourts.ae](http://www.difccourts.ae)



دبي

DIFC

COURTS

Dubai International Financial Centre



# DIFC Investments

## Strategic initiatives to support growth

DIFC Investments operates and manages all DIFC subsidiaries and the development of the Centre's investment strategy. It works to form strategic alliances to further the goals and objectives of DIFC.

The key focus areas of DIFC Investments are financial instruments, banking services, investment and other financial projects and companies. DIFC Investments considers investment opportunities which provide demonstrable strategic benefit and add significant value.

The organisation evaluates investment suitability in terms of DIFC's primary mission, its role as a catalyst for regional economic growth and development, and its diversification and evolution as a globally recognised financial centre. Such investments allow DIFC Investments to import best practices and technology while diversifying income streams.

DIFC Investments is a major shareholder in Borse Dubai, the holding company for the Dubai Financial Market (DFM) and NASDAQ Dubai. A rising player in the global financial industry, Borse Dubai holds significant stakes in NASDAQ and the London Stock Exchange (LSE).

Other key investments of DIFC Investments include the acquisition of UK-based software licensing and professional services provider SmartStream Technologies from TA Associates in November 2007 and the issue of a US\$ 1.25 billion Sukuk, the highest-rated and the largest straight Sukuk to come out of the region in June 2007.

# DIFC Investments

## Subsidiaries

### DIFC | Centre of Excellence

The DIFC Centre of Excellence was established to serve as a hub for executive and professional development and education. The Centre seeks to develop the region's professional talent pool by partnering with top ranking business schools, professional development providers, corporate universities and certification, accreditation and rating organisations. Some of the partners of the DIFC Centre of Excellence include the London Business School (LBS), Cass Business School (CASS), the Securities and Investments Institute (SII), Queens School of Business, the International Bar Association (IBA), the International Institute of Islamic Finance Incorporated (IIF) and the School of Oriental and African Studies (SOAS) in the University of London.

For more information, log on to [www.difc-coe.ae](http://www.difc-coe.ae)

### DIFC | Global

DIFC Global is a unique facility within DIFC that allows individuals and companies to lease short and medium-term office space while exploring greater business and market opportunities. DIFC Global is designed specifically for those who wish to conduct feasibility studies, evaluate future potential, collaborate on joint ventures or scout new business in the region. This facility eliminates the need for long-term investments and large offices and allows new companies to explore opportunities and collaborate with others in the business community. Several global companies and entrepreneurial ventures have leveraged DIFC Global's facilities to establish a foothold in the market, and then gone to establish larger, permanent offices within DIFC.

For more information, log on to [www.difcglobal.ae](http://www.difcglobal.ae)



Hawkamah, the Institute for Corporate Governance is an international association of corporate governance practitioners, regulators and institutions whose primary mandate is to develop corporate governance best practices in the Middle East region. Launched in February 2006, Hawkamah is working to create a system of governance that promotes institution building, corporate sector reform, good governance, market development and increased investment and growth across the region.

For more information, log on to [www.hawkamah.org](http://www.hawkamah.org)



Mudara - Institute of Directors (IOD) is a membership organisation serving directors, professional leaders and governance professionals in the Middle East and North Africa (MENA) region. Headquartered at the Dubai International Financial Centre (DIFC) in the UAE, Mudara IOD promotes director excellence by advocating the interests of boards and facilitating professional development through education, research, networking and dialogue. A range of professional leaders including business owners, directors, CEOs, and senior managers, whose roles require an understanding of corporate governance, will benefit from the Institute's membership.

For more information, log on to [www.mudara.org](http://www.mudara.org)

# DIFC | LCIA

Arbitration Centre

The DIFC-LCIA Arbitration Centre, established in a joint venture with the London Court of International Arbitration (LCIA), offers dispute resolution services to business and commercial organisations worldwide. The new centre complements the independent legal and regulatory framework of DIFC and provides companies with an efficient, neutral and cost-effective alternative to the Courts. In addition to having access to the LCIA's expertise, the DIFC Arbitration Centre has access to a database of world-class legal and non-legal arbitrators.

For more information, log on to [www.difcarbitration.com](http://www.difcarbitration.com)



Art Dubai is an annual event showcasing international contemporary art. Following the overwhelming success of its inaugural event in 2007, the event has become a cornerstone for the rapidly growing art community in the Middle East. Art Dubai focuses on galleries from the emerging markets of the Middle East, South and Central Asia and the Far East, featuring them alongside established international galleries from the West.

For more information, log on to [www.artdubai.ae](http://www.artdubai.ae)



SmartStream, a company recently acquired by DIFC Investments, provides enterprise-wide, real-time Transaction Lifecycle Management (TLM) solutions to more than 75 of the world's top 100 banks. SmartStream's solutions enable clients to tackle the barriers to Straight Through Processing (STP) and create more efficient, customer focused, cost-effective, compliant operations. Founded in 2000, SmartStream has expanded and evolved from a dedicated focus on reconciliations to become a leading provider of software solutions that bring automation and control to the middle and back office.

For more information, log on to [www.smartstream-stp.com](http://www.smartstream-stp.com)



# The DIFC Lifestyle

## An enriching experience

DIFC is spread over the Gate District and the Gate Village, two adjoining business communities that house thriving financial industry clusters as well as high-end retail, cultural and hospitality outlets. The Gate District is anchored by the Gate Building, an iconic structure that is one of Dubai's major architectural landmarks, and encloses six buildings. The Gate Village, spread over 10 buildings, offers a unique lifestyle experience that enriches the business buzz of DIFC.

High-street fashion combined with luxury dining and the finest contemporary art, make DIFC one of the most unique business communities in the UAE. On any day of the week, both workers and visitors in DIFC can enjoy an eclectic mix of art and cultural shows, high-end brand outlets, chic coffee shops and fine-dining restaurants.

One of the highlights of DIFC's lifestyle offering is Villa Moda a unique multi-brand luxury fashion store, which provides an exclusive high-end shopping experience. Regular art shows held in DIFC showcase some of the world's and the region's most exquisite paintings, sculptures and installations. From time to time, DIFC exhibits a selection of its own art collection.

# DIFC and Art

## Strengthening art's role in Dubai's social and economic life

DIFC supports a strong role for art in the community based on a belief that art can stimulate new ideas and perspectives in business.

DIFC has acquired a large art collection of its own, which features the works of a host of regional and international artists. It is seeking to expand its investment in art as part of developing broader human resources that can contribute to economic development.

The organisation's vision for strengthening art's role in society includes the development of Dubai into a regional and international centre for art and culture. Just as DIFC has become an international gateway for capital, it is developing itself into a global gateway for the arts.



# Infrastructure

## Powerful enabler for growth

One of the key factors that makes DIFC attractive for financial services companies is the business and community infrastructure. DIFC is a city within a city planned and designed to be the ultimate in convenience for financial professionals who seek to work, live and enjoy their leisure time in one location. The ultra-modern office space offered by DIFC meets the most exacting demands of financial service professionals while the shared facilities provide the perfect environment to conduct events and meetings.

DIFC also has an advanced ICT infrastructure that serves the requirements of global and regional companies in the community. The entire infrastructure has been built to exacting standards using best-of-breed technologies. This infrastructure enables DIFC to offer a wide range of leading-edge IT and telecom services that help companies host their cutting-edge applications and conduct sophisticated financial transactions out of DIFC.

By providing an infrastructure that facilitates business growth, DIFC is positioned to usher in a new phase of financial industry development in the region.



London Business School Official Launch In Dubai

BARKA

2.30

BGD

0.27

CTO

0.40

DBDAD

27.99





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