



Ogier in Dubai meets needs of busy business market

Insights - 11/01/2024

Offering a combination of legal, corporate and regulatory consulting services, it seems that Ogier's entry into the Middle East couldn't have come at a more opportune time.

More than 250 clients, business partners and well-wishers were on hand to mark the official opening of Ogier's Dubai offices in November.

| Open for business

Our on-the-ground team of seven specialists has been kept busy in the weeks since. On the legal side we have seen a strong demand for in time-zone advice in the laws of our home jurisdictions (BVI, Cayman, Guernsey, Jersey, Ireland and Luxembourg) while our Ogier Global team continues to work very closely with our Hong Kong office on multiple enquiries from mainland Chinese firms looking to establish a presence in the UAE (a growing trend in recent years).

There are several factors which currently make Dubai and the UAE so attractive to foreign investors. With its oil reserves and sovereign wealth funds valued at approximately \$1.3 trillion, the UAE has significant resources, without the structural liabilities some of its neighbours must sustain, to help it navigate the volatility of the oil market and other challenges.

| A more sustainable future

With 2023 declared the Year of Sustainability by the UAE government, the past 12 months have seen the federal and local governments invest heavily in economic diversification and growth. Against the backdrop of the recently concluded COP28, an event which saw the signing of a landmark agreement signalling "the beginning of the end" of the fossil fuel era, optimism and expectations of future growth in Dubai's non-oil private sector are at their highest since February 2020.

The emirate's real estate market is booming, along with its hospitality, and travel and tourism sectors. Passenger numbers at Dubai International Airport are forecast to hit 85 million by the end of 2023, almost reaching pre-covid levels. The economy as a whole grew by an astounding 2.8% in the first quarter alone, buoyed by accelerated sales growth across all measured sectors.

Attractive for business

Dubai's Department of Economy and Tourism has recently introduced the Dubai Unified Licence (DUL) to further streamline business processes for all enterprises in the city, whether operating on the mainland or in free zones. This initiative consolidates economic establishments into a single platform for efficient data management and sharing and aims to standardise and simplify business procedures by enhancing operational efficiency and reducing setup time for businesses. The DUL promotes transparency and accountability, and contributes to Dubai's competitiveness as a business-friendly destination, making it more attractive to foreign investors and entrepreneurs. More than 50,000 licenses have already been issued, with plans for more in the future, covering all registered companies in Dubai mainland and free zones.

In the future, the DUL aims to facilitate the opening of bank accounts for Dubai-based companies (an issue that can face foreign investors) with enhanced ease and efficiency. The implementation of the DUL also aims to strengthen the compliance framework outlined in the national Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) strategy, ensuring the integrity of the UAE economy and the global financial system.

Meeting global standards

The UAE has been actively intensifying its efforts to combat money laundering, terrorist financing and proliferation financing, and comply with applicable sanctions regimes. This initiative is aimed at its removal from the Financial Action Task Force (FATF) grey list.

The UAE's commitment to implementing robust compliance measures against money laundering has earned it "approval for inspection", a crucial step in removing the country from the list of nations under enhanced monitoring by the FATF. The country also took significant action by seizing and confiscating assets totalling more than Dh1.3 billion (\$354 million) from March to mid-July 2023, reflecting the country's concerted efforts to combat money laundering and terrorism financing.

This inspection couldn't come at a more important time, as the UAE is also strategically focusing on blockchain technology to further diversify from its hydrocarbon-based economy. The Abu Dhabi Global Market (ADGM) and its regulator, the Financial Services Regulatory Authority (FSRA), were among the pioneers in providing regulatory guidance for virtual assets. The establishment of the Virtual Asset Regulatory Authority (VARA) further solidified the UAE's commitment to creating a favourable environment for institutional investors, attracting major

global virtual asset firms to set up operations in the region including Binance, Coinbase etc. VARA has attracted a diverse range of businesses and is expected to regulate more than 100 new entities in the coming quarters.

Centre of innovation

The UAE has rapidly become a centre of web3 innovation, with Dubai hosting 500 startups and Abu Dhabi's Hub71 providing funding and infrastructure support for blockchain ventures. With more than 11% of the population owning cryptocurrency, the UAE is positioned as a key hub in the MENA region, reflecting its strategic role as a bridge between Asia and Europe. With the country expected to benefit significantly from the next phase of digital asset industry growth, our ORC team is likely to be kept very busy over the next few years.

Elsewhere in region, Saudi Arabia's capital Riyadh recently secured the right to follow in Dubai's footsteps by hosting the 2030 World Expo. This of course coincides with the most significant year of Saudi Vision 2030, the plan put forward to diversify the country's economy and reduce dependence on oil and hydrocarbon-based business. The Kingdom and the UAE combined hold more than 70% of the region's individual wealth and our team of specialists is perfectly poised to assist foreign investors and clients in entering and expanding into this market, enabling them to take to take advantage of the opportunities in the region.

How Ogier can help

Ogier now provides a full service to clients in the Middle East with on-the-ground legal, corporate and fiduciary, and consulting services from our new location in the Dubai International Finance Centre. To find out more about what we can do for you, feel free to get in touch with any of the key contacts below.

About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

Disclaimer

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