

DIFC Innovation License

Set up Guide

The future is here.

About the DIFC & DIFC Innovation Hub – DIFC's largest startup ecosystem

DIFC & Innovation Hub Overview

- **Dubai International Financial Centre:** A leading international financial centre, bridging regional markets and the global economy seamlessly.
- **Elevate your endeavors with DIFC:** Unveil a realm of established regulations, legal support, and a thriving tech ecosystem, tailored for pioneering tech and innovation enterprises.
- **Enter the sector agnostic ecosystem of DIFC Innovation Hub:** Epicenter of over 800 tech startups, where aspirations flourish and businesses expand across the MEASA region, making DIFC the unrivaled launchpad for tech growth.

Click [here](#) to learn more about **DIFC**.



Benefits of Incorporating in DIFC

- | | |
|---|--------------------------------------|
| ◆ Subsidized License by 90% | ◆ Zero currency restrictions |
| ◆ Access to a thriving startup ecosystem | ◆ Robust Regulatory Framework |
| ◆ No restriction on capital repatriation | ◆ 100% Foreign Ownership |
| | ◆ Global Innovation Hub |

DIFC Innovation License - Sector agnostic, available to all technology entities

- 1. Subsidized Commercial Licensing at **USD 1,500** (annual fee) + **USD 100** one-time registration fee
- 2. Access to co-working space – start with a flexible desk at **USD 500 (+VAT)** per month
- 3. Up to **4 visas** on the first desk; and **discounted visa costs** for up to **40%**
- 4. Quick registration and access to the **DIFC Innovation Ecosystem**



License Requirements

The entity cannot conduct any financial services, e.g., financial advisory, payment services, crypto/NFT exchanging.	The entity must provide a type of technology, e.g., software solution, AI, blockchain. Please refer to page 5 for the list of applicable business activities.	The entity cannot generate any trading/ selling of physical products (e.g., import/export of physical products).	The entity must have physical presence within DIFC. The minimum requirement is to obtain a flexible desk at the Co-Working Spaces.
Non-financial	Tech-Related	General Trading	Physical Presence

Detailed License Cost Structure

Commercial License Fee (USD) depends on # of FTEs (Full-time Employees)		
Year	License Fee	
1	1,500	1,500
2	1,500	1,500
	Less than or equal to 10 FTEs	More than 10 FTEs
3	1,500	12,000
4	1,500	
5	1,500	
6	4,000	
7	8,000	
8	12,000	

Additional Fees for incorporation			
	Fee (USD)	One time / Recurring	Frequency, if recurring
Registration Fee	100	One time	NA
Coworking Space Lease 1 flexi desk	500 ^(+VAT) Monthly	Recurring	Quarterly, Bi-annually or annually (USD 6,000 ^{+VAT})
<u>Data Protection</u> *	250	Recurring	200 from second year on
<u>Confirmation Statement</u> **	300	Recurring	Starts from the second year

*Prior to or immediately upon personal data processing.

**All DIFC companies are required to file a confirmation statement with the DIFC Registrar of Companies (ROC) at the time of license renewal, instead of filing an annual return. The confirmation statement will include a confirmation that all information (& any changes to such information) required to be notified to the DIFC ROC has been so notified.

Applicable Business Activities

Refer to the list of all **business activities*** you can select from under the **DIFC Innovation License**:

Activity Name	
Software House	Network Consultancies
Technology Research & Development	Public Networking Services
Information Technology Consultants	Web-Design
Internet Consultancy	Cyber Security Consultancy
IT Infrastructure	Data Classification & Analysis
Portal	Education & Training Computer Software
Computer Consultancies	Education Technologies Research & Development
Internet Content Provider	Electronic Chips Programming

Click [here](#) to access the activities' description.

Innovation License Process

The full incorporation takes 3-4 weeks.

Stage 1: Submit for In-Principal Approval

Step 1

Fill out and **submit** your online **Initial Approval application** (which will be sent via email)

- Please ensure to select option “Yes” for the Digital Passport Verification to speed up process.

Step 2

Your application is **under review** for Initial Approval

Step 3

In-Principal **Approval** obtained

Stage 2: Register the legal entity

Step 1

Submit the relevant documents and make your **payments** (credit/debit card, bank transfer, cash)*

Step 2

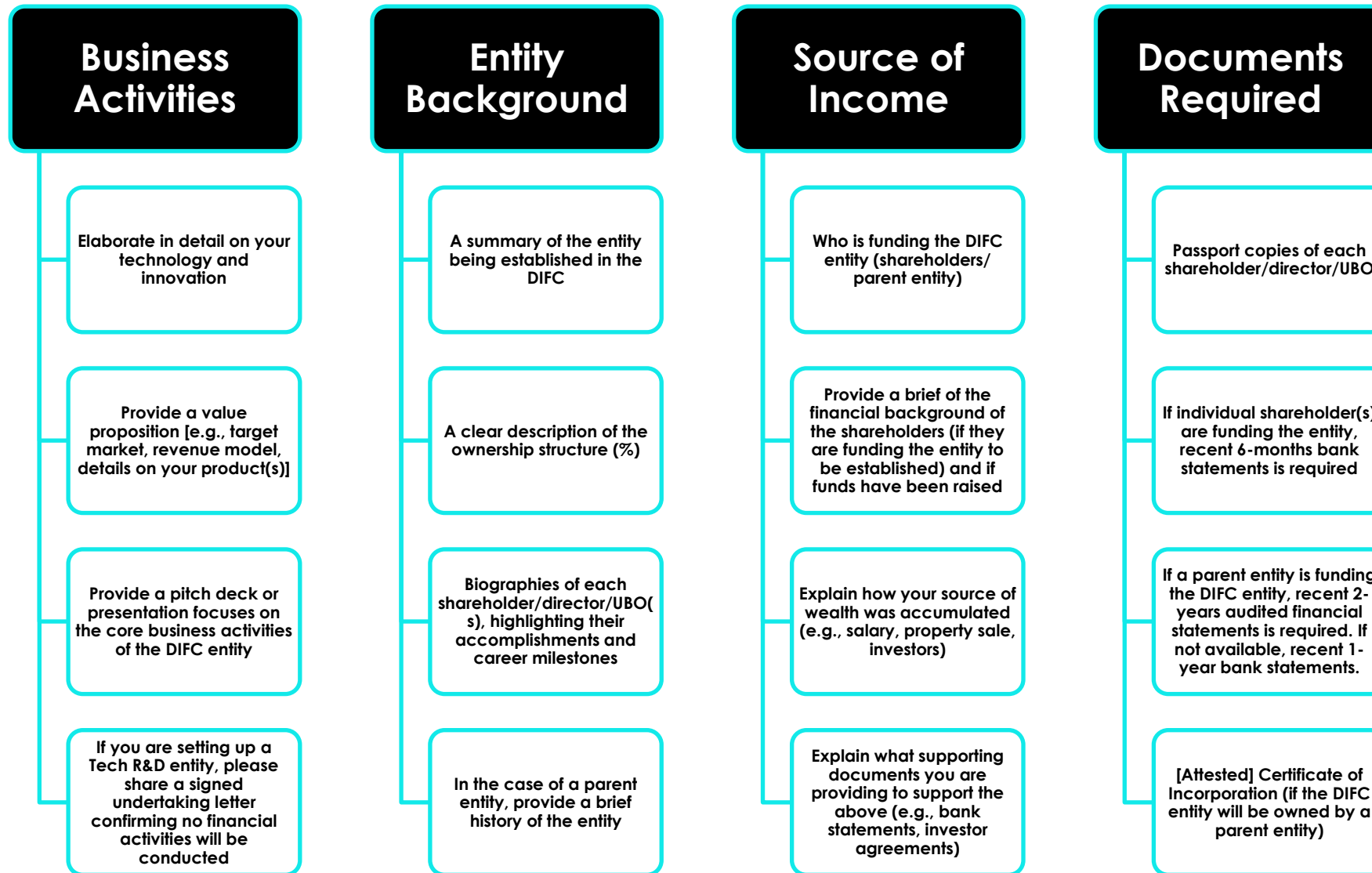
Incorporation Complete. Receive all **corporate documents** automatically via email.

Step 3

Renew your license annually & lease (depending on your payment method)

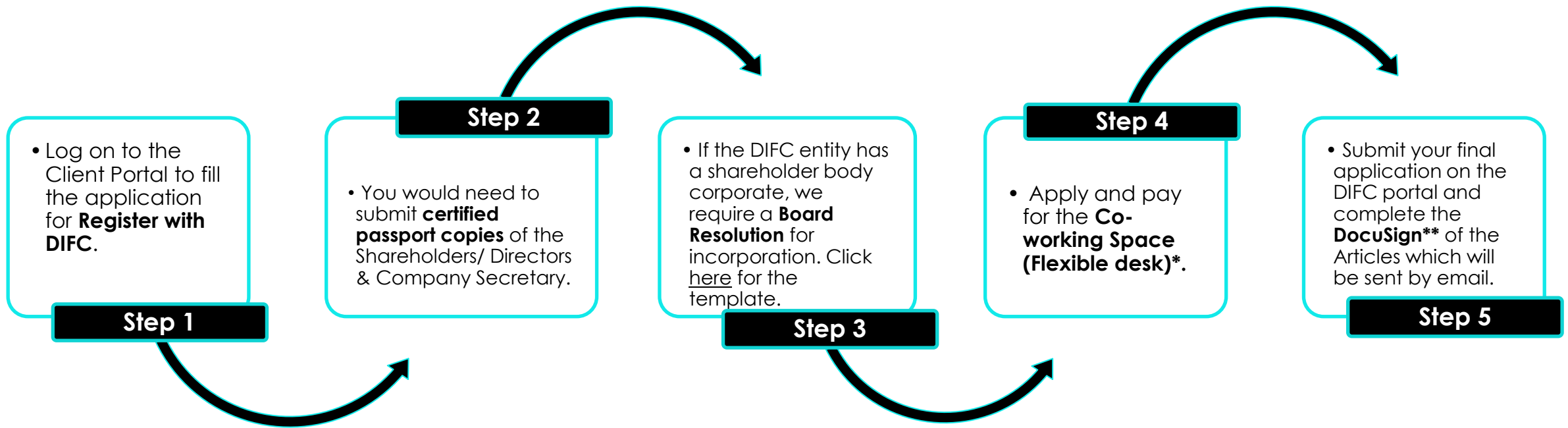
*Including payment towards the real estate option of your choice

Application Form - Information Required



Registering your entity in the DIFC - Guideline

Once you receive the **In-Principle Approval**, you would now begin the **process of establishing your legal entity in the DIFC (Stage 2)**. Below are the **steps** to complete:



For any registry queries or issues, please contact the ROC Help desk: roc.helpdesk@difc.ae

*Please note the license will only be issued with an active lease.

**DocuSign will be sent via email to authorized signatory individuals & shareholders.

Visa (Costs + Application)

Visa Cost

The Required **PSA deposit** will be **AED 1000/visa** instead of 2500/visa:

Description	Normal	Express
New Establishment Card	1,900	1,990
Renewal Establishment Card	1,950	2,010
New Employment Package(Outside)	2,950	3,900
New Employment Package(Inside)	4,300	5,850
Seconded Employee Package(Outside)	2,750	3,700
Seconded Employee Package (Inside)	4,100	5,650
Transfer Freezone/Govt. to DIFC	2,750	3,700
Transfer from a DIFC entity to another DIFC Entity	2,590	3,540

For individuals not applying for DIFC Visa

Access Card – Non-Sponsored

Applicable to Equity Holders (shareholders, members/partners) or **long-term Visa holders that have an existing visa and do not want to transfer their visas to DIFC.** The card is valid for 1 year, 2 years or years, and can be renewed upon expiry.

Please click [here](#) for more information.

All visa related queries can be addressed to gs.helpdesk@difc.ae

What should you submit?*

New Establishment card

- Valid DIFC commercial license
- Copy of the Certificate of Incorporation

New Employment Visa

- Clear colored passport photocopy, including the personal details page
- Applicant's photograph
- Copy of employment contract signed by both parties highlighting the job title of the applicant
- Copy of the highest educational certificate attested by UAE embassy in the country of certificate origin
- Applicant's National ID

Application process

Application is done directly on [DIFC Portal](#)

- Obtain your commercial license
- Apply on the DIFC Portal for an Establishment card & New Employment Visa
- Pay related fees online

Establishment Card & PSA

What is an Establishment Card?

It is a card issued by the General Directorate of Residency and Foreigners Affairs in Dubai to allow an entity to submit employment visa applications. **It is for the entity who requires visas under DIFC and will not be required for those who are not in need of any visa. You can apply for visas under DIFC ONCE THE ENTITY IS INCORPORATED.**

What is a Personal Sponsorship Deposit (PSA)?

PSA is an agreement that must be signed with DIFC Authority if the entity wishes to sponsor employees.

*Kindly note that the above listed requirements are the standard requirements for the visa application and Federal Authority for Identity and Citizenship reserves the right to ask for other supporting documents even after submission of the application.

Bank Account Information*

Checklist & Requirements	Bank Name	Contact Details	Bank Name	Contact Details
<p>The checklist below represents the most needed documentation that will need to accompany your Bank account application form.</p> <ol style="list-style-type: none"> Ownership structure / organisation chart. (This is a critical component needed to identify the Ultimate Beneficial Owners (UBOs)) UBO documents; will require passport / Emirates ID, country of legal residence, Source of Wealth information Certificate of Incorporation / Articles of Association / Share Certificate Board/Shareholder/Partner Resolution for opening account, Signatories and Power of Attorney. Must include authorisation to Open, Operate and Close bank accounts. May require attestation at UAE Embassy and Ministry of Foreign Affairs Lease Agreement 	<p>Emirates NBD www.emiratesnbd.com</p>	<p>Sheikh Saad Ali Zaki M: +971 55 720 9688 sheikhaz@emiratesnbd.com</p>	<p>First Abu Dhabi Bank www.fgb.ae</p>	<p>Khurram Muzaffar M: +971 55 550 3016 Khurram.muzaffar@bankfab.com</p>
	<p>Mashreq Bank www.mashreqbank.com</p>	<p>Monojit Banerjee M: +971 50 365 8047 monojitben@mashreq.com</p>	<p>Commercial Bank of Dubai www.cbd.ae</p>	<p>Ahmad Soubra M: +971 56 409 5388 ahmad.soubra@cbd.ae</p> <p>Ruba Ayat ruba.ayat@cbd.ae</p>
	<p>RAK Bank www.rakbank.ae</p>	<p>Nikhil Varshney M: +971 50 375 9925 Soggie@rakbank.ae</p>	<p>Wio Bank https://wio.io/</p>	<p>Shinoj Narayana M: + 97150 259 2373 snarayanan@wio.io</p>
	<p>Dubai Islamic Bank www.dib.ae</p>	<p>Mohammed Shawar Khan T: +971 4 401 9550 M: +971 50 866 3637</p>	<p>Emirates Islamic www.emiratesislamic.ae</p>	<p>Khalid Mohamed Aljasmi T: +971 4 383 4596 M: +971 558 880800 KhalidMohd@emiratesislamic.ae</p>
	<p>Mauritius Commercial Bank (DIFC Representative) www.mcb.mu</p>	<p>Sebastian Graewert T: +971 4 401 9550 M: +971 50 866 3637 Sebastian.graewert@mcb.mu</p>	<p>National Bank of Fujairah https://nbf.ae/en</p>	<p>Gavin Kwas M: +97152 522 0674 gavin.kwas@nbf.ae</p>
	<p>Ajman Bank www.ajmanbank.ae</p>	<p>Ahmed Salah M: +971553858789 a.abdelmonem@ajmanbank.ae</p>		

*Please note as DIFC is just a Licensing Authority, we recommend the above list of banks for company bank account opening.

Need support in setting up

Please feel free to contact the **below firms** who can provide **support** in the setting up process.

Entity	Contact Details
Creative Zone https://www.creativezone.ae/	Creative Zone Team difc@creativezone.ae
10Leaves www.10leaves.ae	Rohit Ghai rohit@10leaves.ae +971 55 7088 777



Useful Links

- [About the DIFC](#)
- [DIFC Innovation Hub](#)
- [DIFC Fintech Hive](#)
- [Dubai Future District Fund](#)
- [Co-Working Space](#)
- [DFSA Innovation Testing License](#)
- [DIFC Legal Database](#)
 - [DIFC Data Protection Law](#)
 - [Guidance – Data Protection](#)
 - [DIFC IP Law](#)
 - [DIFC Companies Law](#)
 - [DIFC Operating Law](#)
 - [DIFC Insolvency Law](#)
- [Visa](#)
- [DIFC Handbooks:](#)
 - [Corporate Actions: Client Handbook](#)
 - [Client Handbook: Insolvency of a DIFC Entity](#)
 - [Templates & Downloads](#)

Conducting Financial Activities in DIFC

If you believe you are conducting any of the following financial services, you can refer to the relevant categories on the right →

Money Services

- [Money Services Regulation](#)
- [Money Services Setup Guide](#)

Crypto, NFTs, & Tokens

- [Security Tokens Regulations](#)
- [Feedback Statement on Crypto Tokens and NFTs](#)

Crowdfunding

- [Crowdfunding Regulations](#)

Robo-advisory

- [Roboadvisory and Wealth & Asset Management Setup Guide](#)

Category 1	Category 2	Category 3A	Category 3B	Category 3C	Category 3D	Category 4	Category 5
Accepting Deposits	Dealing in Investments as Principal (not as Matched Principal)	Dealing in Investments as Principal (only as a Matched Principal)	Providing Custody (only if for a Fund)	Managing a Collective Investment Fund	Providing Money Services (other than issuing Stored Value)	Arranging Deals in Investments	An Islamic Financial Institution which Manages a PSIAu
Managing a PSIAu	Providing Credit	Dealing as Agent	Acting as the Trustee of a Fund	Managing Assets		Advising on Financial Products	
			Operating an Employee Money Purchase Scheme	Providing Trust Services as a trustee of an express trust		Arranging Custody	
			Acting as the Administrator of an Employee Money Purchase Scheme	Managing a PSIAr		Insurance Intermediation	
				Providing Custody (other than for a Fund)		Insurance Management	
				Providing Money Services (issuing Stored Value)		Operating an Alternative Trading System	
						Providing Fund Administration	
						Providing Trust Services other than as a trustee of an express trust	

[READ MORE](#)

www.dfsa.com

FAQ

What is the DIFC Innovation License?

The DIFC Innovation License is a Commercial License with a subsidized fee structure open to all technology and innovation start-ups.

Who can apply for the DIFC Innovation License?

The DIFC Innovation License is offered to a wider ecosystem of technology enablers, catering to Technology/ Innovation firms interested in developing or testing new, novel or innovative products.

How long is the subsidised Innovation License valid for?

The License is subsidised for a period of 2 years. At a rate of USD 1,500 per annum. Starting from the third year, the subsidized rate will depend on your number of FTEs. If it exceeds 10 FTEs, then the rate is USD 12,000 per annum.

Does a start-up need physical space to avail the DIFC Innovation License?

Yes, physical presence is mandatory in the DIFC. The minimum requirement for the DIFC Innovation License is 1 flexi-desk (USD 500+vat).

Do I need to be physically present to apply for the License?

No, the DIFC client on-boarding system is fully digital, and the process is done online.

What activities are applicable under the DIFC Innovation License?

Please refer to page 5.

What is the DIFC Naming Policy?

The policy states that an entity name must reflect its activities, in order to avoid any ambiguity. [Guidance on DIFC Naming Policy](#).

What is the timeline of setting up in the DIFC?

The process comes in two stages. The first stage is to obtain the In-Principle Approval from the Registration Review Committee, which can take around 5-7 working days.

Once you have been granted the In-Principle Approval you will be given access to second stage which is the setup of the legal entity in the DIFC. This process can take up to a day to a few days to complete as it requires you to complete the steps needed (Articles of Association, obtaining a lease, paying the fees etc.). Once that is done you will be able to submit for the Commercial License to be issued. Please note that the second stage is dependent on how fast you can finish the process.

How many visas can I apply for?

On the first flexi desk, you would have the eligibility to apply for up to 4 visas.

All visa related queries can be addressed to gs.helpdesk@difc.ae

FAQ

Are there any minimum capital requirements?

No, there are no capital requirements for entities under the DIFC Innovation License.

Are there any other costs/fees?

Yes, other fees include office space, visa costs, [Data Protection](#) and Confirmation Statement

What is a Confirmation Statement? All DIFC companies are now required to file A confirmation statement with the DIFC Registrar of Companies at the time of license renewal. The confirmation statement will include a confirmation that all information (and any changes to such information) required to be notified to the DIFC Registrar of Companies has been so notified. Please refer to the [DIFC Companies Law](#) for further information. Please refer to slide 16 for the cost structure of the Innovation License.

What if I would like to conduct financial services (regulated activities)?

The DIFC Innovation License is only applicable to those conducting un-regulated activities. For further information on conducting financial services, please visit the following links: www.dfsa.ae / www.dfsa.ae/Fintech

Can I open a bank account with a DIFC Innovation License?

Once the entity is registered and the Commercial License is issued, you may begin the process of opening a bank account. Page 15 provides a list of banks and their contacts. The bank account opening remains at the discretion of the bank's policies and requirements.

Can I add new shareholders?

Yes, you can once the entity is incorporated.

The process can be done via the portal. There is no fee associated with this service.

Page 27 of the following [Corporate Actions: Client Handbook](#), provides information on the process.

What does unregulated activity refer to?

The DIFC Innovation License only applies to non-regulated entities which means that you can not trade or sell your own products and conduct any financial activity. You can provide a software development, a portal, an R&D platform, etc.

What is Data Protection? What is required of DIFC companies?

- Click [here](#) for guidance on DIFC's data protection law.
- Click [here](#) for guidance on how to file the data protection notifications on the DIFC portal.
- Click [here](#) to access assessment tools for filing the data protection notifications.

For any questions regarding data protection laws, feel free to reach out to commissioner@dp.difc.ae . For any questions regarding the notifications on the DIFC portal, feel free to reach out to ROC.helpdesk@difc.ae .

Thank you

For any queries, reach out to BDFinTech@difc.ae .