

A wide-angle photograph of a city skyline at dusk or dawn. In the foreground, a large, dome-shaped structure is under construction, featuring a complex metal lattice framework. Several red and yellow construction cranes are positioned around the dome. In the background, several tall skyscrapers are visible, including one with a prominent clock face and another with a yellow-tinted facade. The sky is a mix of blue and orange hues. A dark, semi-transparent banner is overlaid across the bottom half of the image, containing white text and a logo.

# Fintech News Middle East: UAE Fintech Report 2021

**FINTECH**  
MIDDLE EAST  
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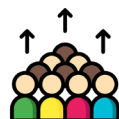
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## High penetration rates in UAE's digital payments, banking and social media



**US\$354 billion**  
GDP, current (2020)



**9.99 million**  
Population (2021)



**30**  
Network Readiness Index  
2020<sup>1</sup> World Rank



**-7.7%**  
GDP Growth (2020)



**6.1**  
ATMs Per 10,000  
Adults (2020)



**0.95**  
Bank Branches Per  
10,000 Adults  
(2019)



**99%**  
Internet Penetration  
(Jan 2020)



**172%**  
Mobile Connections  
(Jan 2021)



**90%**  
Mobile Banking  
Penetration (2019)



**69.4%**  
E-commerce User  
Penetration<sup>2</sup> (2021)



**10.2 million**  
Number of Debit Cards in  
Circulation (2020)



**8.8 million**  
Number of Credit Cards in  
Circulation (2020)

### Social Network



**99%**  
Social Media Users  
(Jan 2021)



**90%**  
Of Population  
(Jan 2021)



**54%**  
Of Population  
(Jan 2021)



**92%**  
Of Population  
(Jan 2021)

## UAE At a Glance

# UAE ranked first among the Arab countries in FinxAr

The Arab Monetary Fund launched the Index of Modern Financial Technologies in the Arab countries called the **FinxAr**. The index sheds light on the developments in the financial technology industry and digital financial services in the Arab countries during the period (2018-2020).

The annual index aims to identify the efforts of Arab countries in enabling and promoting fintech adoption. The United Arab Emirates leads the Arab countries in the General Index, achieving an average of **75%**. The general index for fintech in the Arab region (FinxAr) consists of six main indices that represent the main pillars of the fintech

ecosystem, including policies and legislation, the demand side, access to finance, financial markets infrastructure, talent development to support innovations, and finally collaboration and partnerships.

The general index scored 43%, and the indices for talents, and collaboration & partnerships came in the forefront with 50% and 49% respectively, then the demand side and policies & regulations indices by 44% each, while the results highlighted the need to pay attention to the pillars of financial market infrastructure and finance, as they scored 39 percent and 18 percent, respectively.

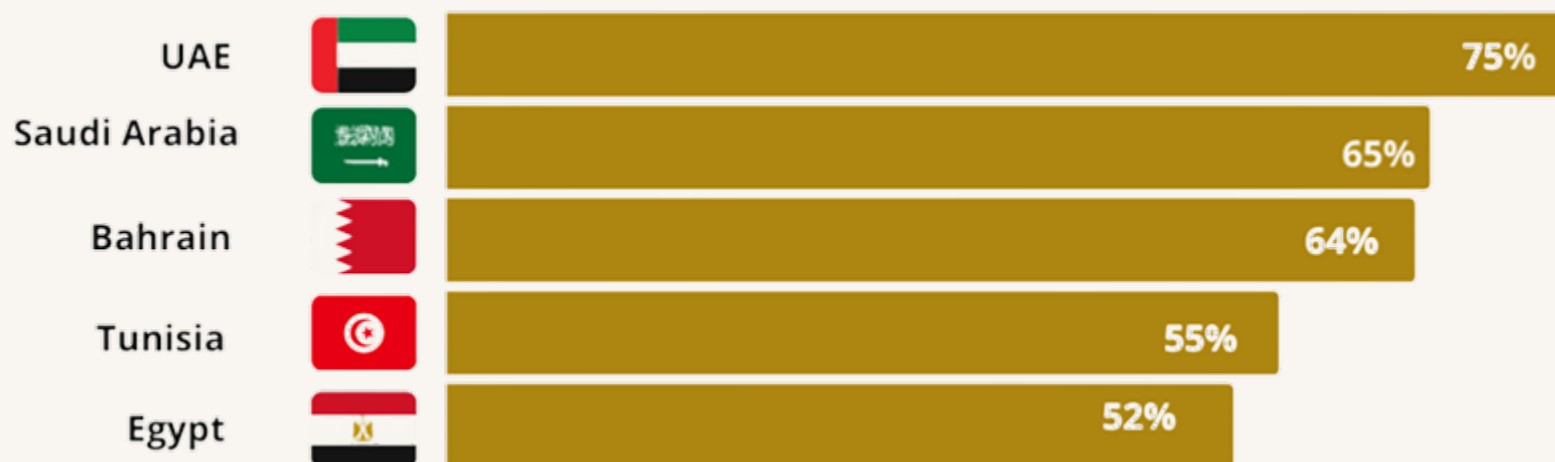


Image source: Fintechnews Middle East

# UAE Fintech Landscape

## Fintech Map UAE 2021



## Consumers in the UAE shifts away from cash to contactless payments



**US\$18.5 billion**  
**Digital Payment Transactions in UAE in 2020** *(World Digital Report 2021)*



**88%**  
Of in-person transactions are contactless



**73%**  
Consumers shop more online than they did before the pandemic



**83%**  
Consumers state they will continue to use contactless payment post-pandemic

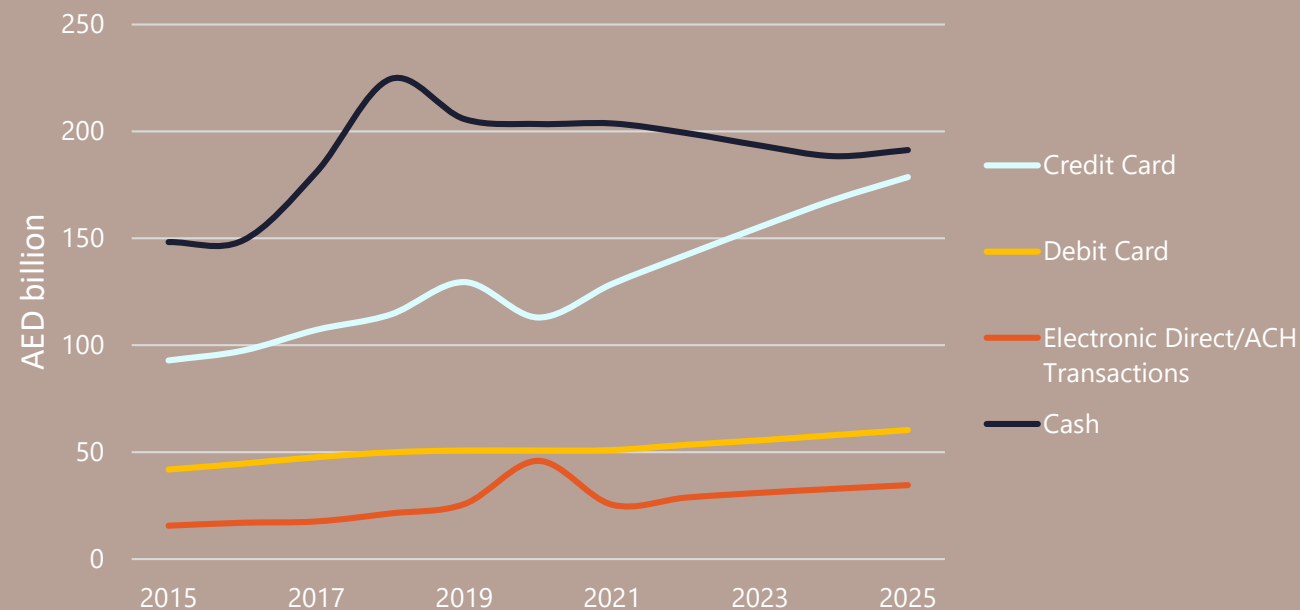
**97%**

Of consumers plan to use at least one new method of digital payment such as wearables, biometrics, digital currencies or QR codes within next year

**5in10**

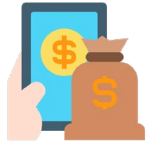
UAE individuals plan to use cryptocurrencies within next year

Payment Transaction Value in the UAE



Sources: Euromonitor International

## Key drivers that are changing the payment industry in the UAE



### Higher financial inclusion with mobile financial services initiatives

Thanks to the Government's Wage Protection System, an electronic transfer system that requires all corporations to pay wages through approved financial institutions, and widely used e-wallets, a cashless society is not a target beyond reach with the help of upcoming initiatives. The UAE government is supporting the mobile financial services initiatives that provide solutions in the financial inclusion of the unbanked to ensure a balanced system of cash and digitalization in the payments environment.



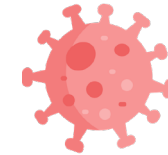
### Increased investments in digitalization

The average number of cards owned by an UAE bank customer is two, indicating the competition in the bank industry is intense. Banks are innovating themselves by investing in the technological developments to improve their marketing activities, offers and customer services. Within the payment space in the UAE, regulators, banks, Fintech, and other financial stakeholders need to form a cooperation among themselves.



### E-commerce triggering the growth in digital payments

The high demand in the digital sales platforms directly caused a growth in the digital payments. There is a rivalry in between the e-commerce platforms to provide the best service to the customers like offering large-scale selection of goods, delivery on the same day, in-house repair and payment. As the service gets better, the number of digital payments also rise. The infrastructure to provide a quick and effective payment procedure gains high importance. A secure and user-friendly online shopping experience drives increased non-cash payment solutions.



### COVID-19 accelerates the shift to digital payments

In the UAE, digital payments have been more than doubled over the last two years to US\$18.5billion in 2020, according to Fintech company Stripe. Two-thirds of UAE residents expect the country to become fully cashless by 2030, a poll by Standard Chartered. Preference for digital payments over cash on delivery or bank transfers rises significantly as consumers shop online more frequently. The infrastructure and accessibility is now there for merchants and consumers, and the pandemic has changed consumer behaviour in a lasting way.

## Payment Fintech Startups to Watch in 2021



Founded in 2019, Tabby is a relatively young buy-now-pay-later fintech startup based in Dubai. Tabby partners with retailers to offer their customers, both online and in-store, the ability to defer paying for their purchases for up to 30 days or to pay in four equal monthly instalments at zero cost to the consumer.

The startup raised US\$23 million in a Series A funding round from Abu Dhabi state investor Mubadala Investment Company and Arbor Ventures in December 2020 after it announced a partnership with Visa and joined the Saudi Arabian Central Bank's regulatory sandbox for fintech firms. It secured a US\$7 million funding round in June 2020.



Founded by former Google employees, Mamo Pay is a Dubai-based peer-to-peer (P2P) payment app. Mamo Pay allows users to make payments and transfers using the recipients phone number or email address only, simplifying the traditional process and data that banks usually require, like IBAN numbers.

Mamo Pay went live in December 2020 after raising US\$1.5 million in April from Global Founders Capital (GFC) with participation from Global Ventures, VentureSouq, MSA Capital, Dubai Angel Investors (DAI), 500 Startups and some angel investors. It joined Visa's Fintech Fast Track program in June.



Established in 2014, Telr is an award-winning, Dubai-based startup providing payment gateway solutions for small and medium-sized enterprises (SMEs), government bodies and large corporations.

Telr offers a set of APIs and tools that enable businesses and organizations to accept and manage online payments via web, mobile and social media. It also offers digital invoicing, anti-fraud security and real-time monitoring services, QR Codes, social commerce solutions.

Telr raised an undisclosed funding in December 2019 from existing investors including iMENA Group. Telr currently has offices in the UAE, Saudi Arabia, India and Singapore.



NymCard is an end-to-end payment platform partnering with financial institutions to provide a digital payment solution to the unbanked and offer their clients a superior payments experience.

With its cloud-based, open API, Nymcard's platform enables financial institutions, corporates, and fintechs to deploy and launch virtual, plastic and tokenized cards. The startup has collaborated with financial institutions in Iraq and Jordan to launch innovative products, and is eyeing markets including the UAE, Saudi Arabia and Egypt. NymCard received an in-principle approval from ADGM's Financial Services Regulatory Authority (FSRA) in August 2020.



## UAE emerged as a startup hub for regional financial sector

The UAE government has decentralized its approach to Fintech by introducing more than 40 'free zones' among the seven Emirates. Each free zone operates under separate regulatory and governance structures, largely independent of the "mainland" (or known as "onshore") authorities. As such, the rules and regulations applicable to companies situated in free zones differ from the rules and regulations applicable to companies operating in the mainland.

### Regulators and Organizations Driving FinTech Developments in the UAE

#### UAE Onshore



مصرف الإمارات العربية المتحدة المركزي  
CENTRAL BANK OF THE U.A.E.



هيئة الأوراق المالية والسلع  
SECURITIES & COMMODITIES AUTHORITY

هيئة التأمين  
Insurance Authority



مصرف الإمارات للتنمية  
Emirates Development Bank

#### Abu Dhabi



ABU DHABI  
GLOBAL MARKET  
سوق أبوظبي العالمي

Opened in 2015, the Abu Dhabi Global Market (ADGM) free zone is located on Al Maryah Island and plays a key role in implementing Abu Dhabi's Economic Vision. Three independent authorities – the Registration Authority, the Financial Services Regulatory Authority, and ADGM Courts – govern the free zone and maintain a business-friendly environment. The free zone acts as the preferred gateway to the Middle East, Africa, and Central Asia.

#### Dubai



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The Dubai International Financial Centre (DIFC) free zone is located right in the heart of Dubai and plays a key role in implementing several of the Emirate's strategic initiatives. DIFC is governed by three independent bodies: the DIFC Authority, the Dubai Financial Services Authority, and the Dispute Resolution Authority. By 2020, the DIFC recorded more than 2,500 active registered companies operating in the Centre, of which 821 were financial services firms.

# Fintech Initiatives and Regulatory

## Review on the UAE's National initiatives on Fintech



### UAE Fintech Office

In Dec 2020, the Central Bank of UAE (CBUAE) **launched its fintech office** to support Fintech activities in the banking sector and facilitate the establishment of a UAE-approved regulatory framework in co-operation with other FinTech authorities in the UAE (including in the DIFC and ADGM). The new office aims to develop a mature fintech ecosystem within the UAE and position the nation as a fintech hub regionally and globally.

### National Innovation Strategy

In 2014, the UAE launched the **National Innovation Strategy**, which aims to make the UAE among the most innovative countries in the world by 2021. In recent years, the UAE has accomplished a series of significant achievements in the field of innovation covering all sectors, most notably the development of educational systems, boosting computer use and smart devices in schools and establishing several technological institutes.



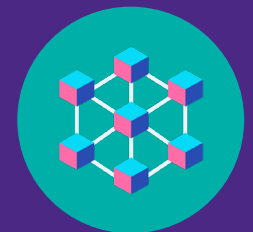
### National Artificial Intelligence Strategy 2031

In April 2019, the UAE Cabinet adopted the **National Artificial Intelligence Strategy 2031**, a 10-year strategy aims to develop frameworks for AI adoption across select sectors and make UAE a global leader in AI by 2031. The UAE is cultivating ties with foreign partners, establishing agreements with India, China and Israel. In 2019, Chinese firm *UBTech Robotics* clinched a US\$362M contract to set up AI labs for Emirati students.



### Emirates Blockchain Strategy 2021

In April 2018, the UAE government launched the **Emirates Blockchain Strategy 2021**. It aims to shift 50% of government transactions to the blockchain within 3 years. Smart Dubai made great strides towards digitizing the Dubai Government. It includes Dubai Pay, a centralized payment gateway for government payment collection, and UAE PASS, a national digital identity platform. The Dubai Paperless Strategy, which utilizes blockchain, digitizes completely government transactions internally and externally.



# Key Fintech Initiatives by DIFC and ADGM



**DIFC| Fintech Hive** is a platform that drives innovation and showcases success by identifying leading technology entrepreneurs and companies and offer opportunity to develop, test and

modify their innovations in collaboration with DIFC and regional financial institutions such as Emirates NBD, Visa and HSBC. In 2020, it reveals scale up programme such as virtual accelerator, ASPIRE, designed for post series A start-up companies with a scalable and repeatable business model.



**DIFC| Innovation Testing License (ITL) Programme**

the DFSA regulatory sandbox, that helps innovative fintech startups test their products in a controlled environment.

As founding members of the Global Financial Innovation Network (GFIN), DIFC participate in setting the strategic direction of the initiative. ITL provides firms flexibility to test and develop concepts within the sandboxed environment subject to various restrictions and modifications.



**DIFC|** Launched in 2019, and managed by Wamda Capital and Middle Venture Partners, **DIFC Fintech Fund** reinforces DIFC commitment toward FinTech companies through its accelerator

programme and fun, helping them to grow and upscale in the Middle East, Africa and South Africa (MEASA) markets. In 2020, DIFC has dipped in to its US\$100 million to invest in four fintech companies – FlexxPay, Go Rise, NOW Money, and Sarwa.



**ADGM| Hub71** is a flagship initiative of Ghadan21, Abu Dhabi's accelerator programme for businesses in the capital. In partnership with Microsoft, Mubadala, Abu Dhabi Investment

Office, ADGM and SoftBank, Hub 71 offers an interconnected network to enable innovation and growth opportunities for transformational tech and startups. Since its launch in Mar 2019, Hub71 has attracted more than 100 tech startups setting up base at Abu Dhabi and raised US\$50million



**ADGM|** Introduced in Nov 2020, **ADGM Digital Lab** is a regulated digital environment to allow financial institutions, technology vendors and Fintech startups to collaborate around new products

and business models, under the supervision of the financial regulator. It replaces the previous regulatory sandbox, RegLab, which was launched in 2016. Digital Lab offers access to resources such as data, APIs, system images and reference architectures.



**ADGM| Abu Dhabi Catalyst Partners (ADCP)** is a joint venture between Mubadala Investment Company based in Abu Dhabi and Falcon Edge Capital, based in New York City. ADCP was established in Apr 2019 with committed capital of

US\$1billion. ADCP has a dual mandate to achieve financial returns while also contributing to the overall development of the ADGM. In 2021, ADCP invested in fintech Securrency, social media platform Telegram, and Netflix Mideast rival Starzplay.

## Fintech Initiatives and Regulatory

# ADGM and DIFC Fintech Regulations adopted



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2019

**CROWDFUNDING** | DFSA issued a comprehensive set of rules for operators of debt and equity crowd-funding platforms, including regulatory framework for loan and investment-based crowdfunding platforms.

**DATA PRIVACY** | DIFC enhances data protection law (DIFC Law No.5 of 2020). The new law aligns the DIFC's data protection regime with international best practice and revises rules on the collection, handling, disclosure and use of personal data in the DIFC.

**CRYPTOCURRENCY** | DIFC proposed a comprehensive regulatory framework for regulating Security Tokens

**PAYMENT** | The Dubai Financial Services Authority (DFSA) introduced a series of updates to its Rulebook modules to revise its regime for "Providing Money Services" in the DIFC. Under the new regime, "Arranging and Advising on Money Services" is regulated as a new type of financial service and a wider range of payment services activities are permitted.

**STARTUPS** | DIFC launches new Innovation License, a collaboration with the Dubai Future Foundation (DFF), to drive blockchain and AI driven startups in financial sector.

**eKYC** | Dubai Economy and DIFC join hands to unify corporate eKYC platforms to form UAE KYC Blockchain Consortium.

Nov  
2020  
Jan

Aug

2021

Apr



Jul

Oct

**CAPITAL MARKETS** | ADGM publishes guidance on Authorisation of Digital Investment Management ("Robo-advisory") Activities

**PAYMENT** | ADGM Introduces enhancements to the regulatory framework for Providing Money Services

**CAPITAL MARKETS** | ADGM updates its Virtual Asset Regulatory framework. The amendments include rules concerning the authorisation and supervision of virtual assets (previously crypto assets) related activities.

Feb

Apr

Nov

Feb

**REGTECH** | ADGM launches three Regulatory Technology (Regtech) initiatives

**PAYMENT** | ADGM introduces enhancements to the regulatory framework for Providing Money Services.

**PAYMENT** | ADGM enacts Electronic Transactions 2021

**API** | ADGM publishes guidance on the development and use of Application Programming Interfaces (APIs)

**CAPITAL MARKETS** | ADGM issues Guidance –Regulation of Digital Security Offerings and Virtual Assets under the Financial Services and Markets Regulations

**DATA PRIVACY** | ADGM introduces a regulatory framework for Third Party Financial Technology Services

**DATA PRIVACY** | ADGM enacts its new Data Protection Regulations 2021, replacing the Data Protection Regulations 2015



# UAE leads the digital banking scene in the Middle East

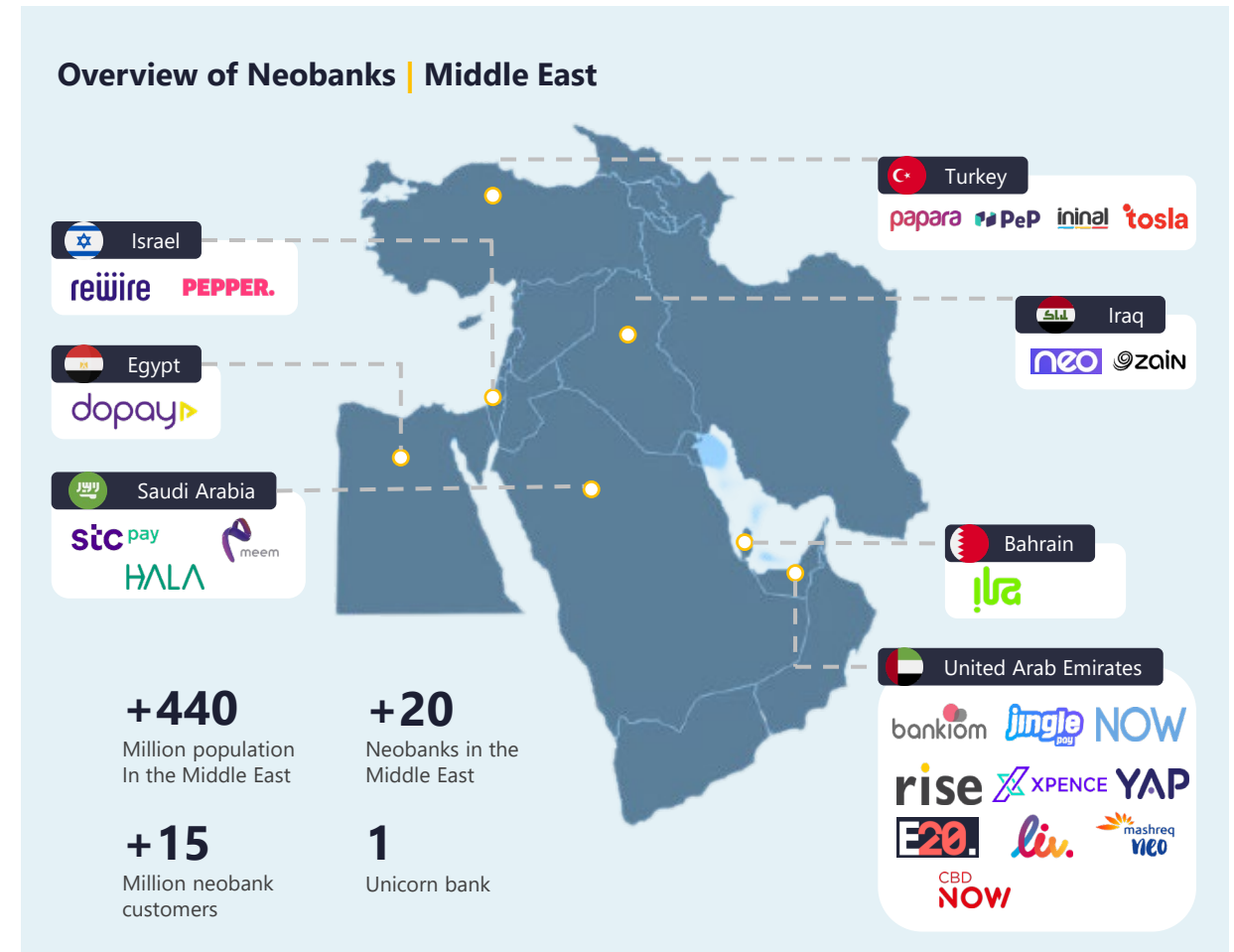
Digital banking is heating up in the Middle East with the UAE representing the major hub for banking innovation. Most of these neobanks are launched by incumbents as standalone digital banks and provide a full range of financial products that aim to act as full replacements for traditional banking offerings.

In the UAE, there are Liv and E20 by Emirates NBD, Mashreq Neo by Mashreq Bank, and ADCB Hayyak by Abu Dhabi Commercial Bank.

In the UAE, the current framework for fintech licenses requires companies to partner with a bank, which has to own 51% of the venture. Such collaborations include NOW and Commercial Bank of Dubai (CBD), as well as Rise and United Arab Bank.

Over the past two to three years, the UAE Central Bank has outsourced innovation on regulatory frameworks to the Financial Services Regulatory Authority (FSRA) and Dubai Financial Services Authority (DFSA), but these offshore jurisdictions have no authority over banks licensed by the Central Bank.

As such, FSRA and DFSA's licensing were viewed as advisory guidelines rather than regulations, creating jurisdictional uncertainty that poses a question to both fintech and investors.



## UAE Digital Banking

# Digital solutions by banks in the UAE

Banks in the United Arab Emirates (UAE) in particular have taken the lead in adopting digital solutions. In the UAE, a number of banks have undertaken numerous digital banking initiatives, ranging from launching separate digital-only banking platforms, to strengthening existing mobile banking services.

Launched	Digital Banking	Powered By	Description
May 2017			Emirates NBD (ENBD) launched a millennials digital banking proposition
Oct 2017			Mashreq Bank launched Mashreq Neo, its full-service digital bank
Feb 2018			Abu Dhabi Islamic Bank (ADIB) is partnering with Fidor Bank, Europe's original digital challenger bank, founded in 2009, to launch a 'community-based digital bank'
Feb 2018			Commercial Bank of Dubai launched CBD NOW, also targeting the millennial and digitally connected customers with a mobile proposition
Sep 2019			Emirates NBD (ENBD) launched a digital mobile-only business bank designed for SMEs and entrepreneurs

*"The UAE banking sector has joined the global trend of technology transformation, digitization and innovation that is sweeping financial services sectors around the world. Customers in the UAE are fast adopting digital banking services.*

*"In many cases customers are demanding more digital solutions that brings major cost savings to banks and convenience to customers."*

*Abdul Aziz Al Ghurair, CEO of Mashreq Bank and chairman of the UAE Banks Federation*

## Independent Neobanks in UAE

The logo for NOW, featuring the word "NOW" in a bold, blue, sans-serif font.

Launched **Mar 2017**

Partnering bank **Commercial Bank of Dubai (CBD)**

Now Money provides digital accounts to offer low-cost remittance and other financial services to migrant workers in Gulf. The fintech partners with businesses to provide their low-income employees access to different financial services. The businesses get a digital payroll solution to transfer salaries to workforce. Now Money has raised US\$7M in a fund round in Mar 2021. Currently available in the UAE, the fintech plans to expand to Saudi and further develop its services and continue growth in the UAE.

The logo for rise, featuring the word "rise" in a bold, black, sans-serif font with a small yellow dot above the 'i'.

Launched **2018**

Partnering bank **United Arab Bank (UAB)**

Rise is a neobanking platform that provides migrant and domestic workers in the GCC region with financial products and services, as well as educational material. The platform, accessible mainly through a mobile app, currently offers products including a bank account, an accompanying debit card, remittance services, insurance products, and unsecured consumer loans. Rise raised over US\$1 million in funding in March 2020. Backed by the likes of MEVP and DIFC, Rise is now looking to expand to Saudi Arabia and Bahrain.

The logo for YAP, featuring the word "YAP" in a bold, blue, sans-serif font with a small purple dot above the 'A'.

Launched **Mar 2021**

Partnering bank **NA**

Dubai-based YAP is the first independent digital banking platform in the UAE. YAP does not have a banking license itself but has partnered with RAK Bank to provide international bank account numbers (IBAN) and bank identification number (BIN) to customers. YAP does not have a physical branch but offers features such as spending and budgeting analytics, peer-to-peer payments and remittances services and bill payments to customers. It doesn't offer loans and mortgages. Over 25,000 applicants pre-registered in the past two months to use the app.

The logo for bankiom, featuring the word "bankiom" in a bold, black, sans-serif font with a red and grey circular graphic above the 'i'.

Founded **Dec 2020**

Partnering bank **Unnamed**

Bankiom is the latest entrant of neobanks in the UAE, currently in its Beta launch. The digital-only bank, based in Dubai, targets millennials and mobile natives, providing banking facilities online and through app platforms, including wealth management, remittances, and a current bank account with an accompanying payment card. Bankiom has partnered with a bank for card issuance. Bankiom positions to users as "a new way to manage your money" and promises not to charge any hidden fees for its services. Bankiom claims to have accrued more than 400,000 signups prior to the launch.

## More neobanks are coming in 2021



**Oct 2020** – Abu Dhabi state-owned holding company ADQ announced plans to set up a digital bank with an initial capital of US\$544M after obtaining the legacy license from First Abu Dhabi Bank (FAB). FAB plans to transfer its license ADQ while it intends to own a 10% stake in the digital bank and will have access to another 10% of the shares at the time of its initial public offering in the future. ADQ, which was established in 2018, owns strategic assets such as Abu Dhabi Ports, Abu Dhabi Airport and bourse operator ADX.



**Apr 2021** – UAE's digital-only independent bank, Zand, is set to go live, as it is subject to regulatory approvals as at 12 Apr 2021. Al Maryah Community Bank received a full UAE banking license from UAE Central Bank, the first digital-only independent bank to have received such license. Zand is set to provide banking and financial services to both retail and corporates upon its launch. Mohamed Alabar, founder of Emaar and e-commerce platform Noon.com, will chair Zand.



**May 2020** – Jingle Pay is another new player looking to launch in the UAE soon. It aims to bring elements of social payments to mobile wallets backed by cash accounts for instantaneous payments and easy P2P money transfers.

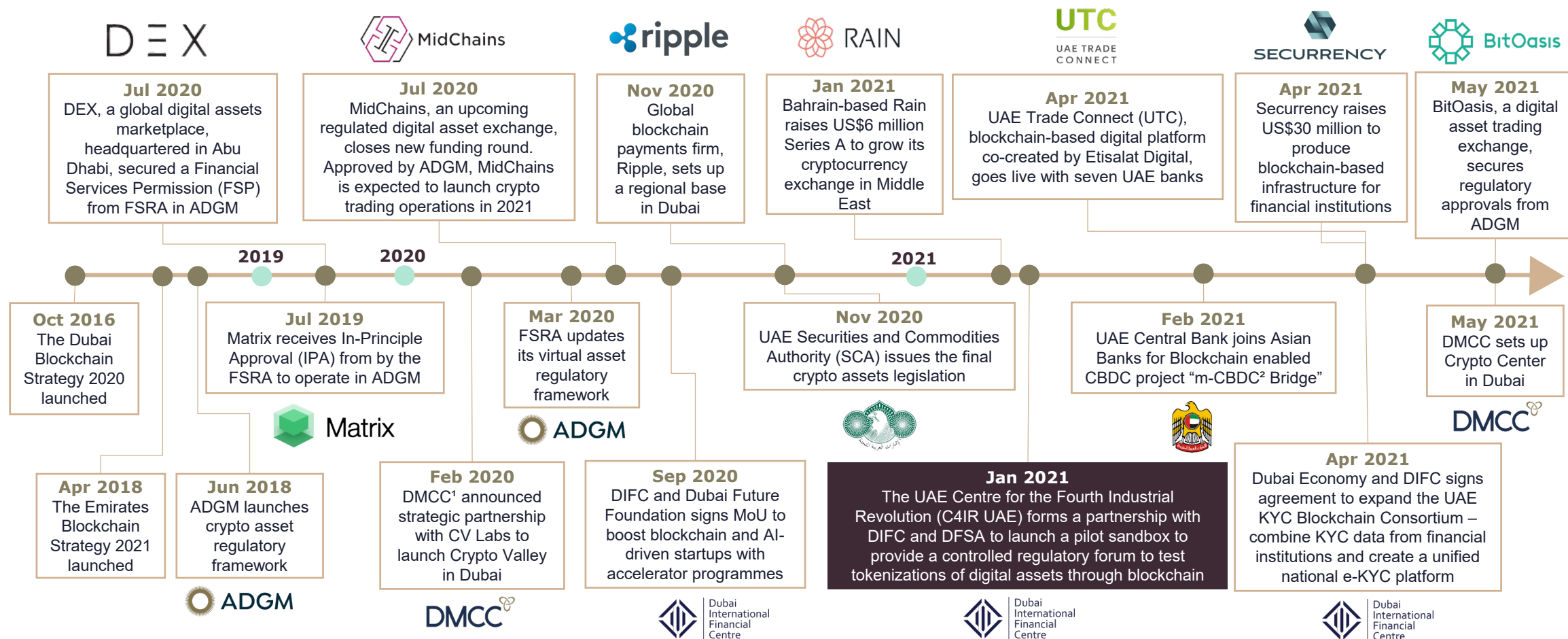
Jingle Pay will offer a multi-currency account and card, remittance, Nano financing, instant and free money transfer services and other value-added services to its clients.

The neobank will also remove the restrictions on bank accounts like the minimum balance requirements, for its target customers.



## UAE sees rapidly expanding blockchain ecosystem

Regulators and government agencies in the UAE are multiplying initiatives to embrace tokenization and blockchain. In Jan 2021, the UAE Centre for the Fourth Industrial Revolution (C4IR UAE) signed a partnership with Dubai International Financial Centre Authority (DIFC) and Dubai Financial Services Authority (DFSA), unveiling a pilot sandbox, which could eventually lead to the full licensing in the digital assets and blockchain sector.



Notes: (1) DMCC refers to Dubai Multi Commodities Centre, a government-backed entity established for global commodities trade in Dubai's tax-free zone. (2) m-CBDC Bridge refers to Multiple Central Bank Digital Currency Bridge is a wholesale CBDC co-creation project that explores the capabilities of distributed ledger technology (DLT) and studies the application of CBDC in enhancing financial infrastructure to support multi-currency cross-border payments.

## Crowdfunding regulations in the UAE

Crowdfunding is the practice of funding a project by raising money from a large number of people through licensed online platforms. Common types of crowdfunding include donations model, rewards model, crowd-source equity funding (CSEF), and debt/ P2P lending model. In the UAE, fundraising activities for charities and social causes are regulated and done through state-based registered channels. However, in spite of new developments, however, loan and investment crowdfunding is still not specifically regulated in mainland UAE. In Sep 2019, CBUAE proposed a draft regulation for loan-based crowdfunding platforms (CFPS).



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### DFSA Crowdfunding Framework

In August 2017, the Dubai Financial Services Authority (DFSA) launched a legal framework for loan and investment-based crowdfunding platforms, the first such regulatory framework in the GCC countries. The Regulations are part of the DFSA Conduct of Business (COB) Module under section 11. The DFSA framework aims to license, organise and protect the rights and obligations of all parties involved in specific crowdfunding activities which provide finance solutions for SMEs in the region.

In July 2019, DFSA has updated its crowdfunding regulatory framework, setting out additional requirements for property crowdfunding platforms.



ADGM

### ADGM Private Financing Framework

In Sep 2018, the Financial Services Regulatory Authority (FSRA) issued the 'Regulatory Framework for Private Financing Platforms' serving equity investment, debt financing and trade receivables funding needs of start-ups, private enterprises and SMEs. The framework requires the operators of PFPs, to have appropriate systems and controls in the areas of due diligence of those enterprises listed on the PFP, risk disclosures, safeguarding of client assets, anti-money laundering and counter-terrorist financing (AML/CFT), amongst others.



### SCA Crypto Assets Regulations

In Nov 2020, UAE Securities and Commodities Authority (SCA) issues the final crypto assets legislation. It is designed to regulate key aspects of dealing in crypto assets, from issuance and promotion, to licensing and conduct of business for custodians, exchanges, and 'fundraising' platforms. Crypto fundraising platforms are similar to equity-based crowdfunding platforms, which allows investors to subscribe to crypto assets such as in an initial token offering. A crypto fundraising platform may not offer trading services to investors unless licensed by the SCA as a crypto asset exchange.

## Leading Crowdfunding platforms in the UAE



Launched in 2014, Beehive is the first regulated peer-to-peer lending platform in MENA to be regulated by the DFSA. Beehive directly connects businesses looking for finance with investors, creating mutually beneficial partnerships for growth. Beehive is also regulated by CBB in Bahrain and certified by the Shariyah Review Bureau (SRB) to be Sharia compliant. Starting at a minimum investment of AED 100, the platform has become an incentive for investors to financially support local projects, thereby earning profits and contributing to overall economic growth. The fintech has raised a total of US\$15.5million in funding so far, with the latest US\$4million in Series B round.

In Sep 2020, Beehive partnered with Dubai Economy to enable SMEs and investors to benefit with AED25 million capital guarantee from Dubai SME.




Founded in 2013, Eureeca is the first global leading crowdfunding platform and the first to be regulated in MENA in 2013, serves as an alternative financing option to more traditional financing sources such as banks and venture capital firms. It is designed to host investors of all profiles, from casual retail and active angel investors to institutional investment firms such venture capital funds - all of which are looking to buy equity in growth-oriented businesses of the future. It now counts over 30,000 active investors from 70 countries on its platform with an average investment size of \$5,800.

Despite the challenges of Covid-19, Eureeca continued to successfully fund companies from the UAE, Malaysia, UK and Holland in the midst of the crisis, underscoring Eureeca, and the business model as recession proof.


## Insurtech platforms to watch in 2021


The rapid adoption of insurtech services by traditional insurers in the UAE is rapidly altering the industry landscape. According to the Capgemini World InsurTech Report 2020, 67% of UAE-based insurers are keen to collaborate with Insurtech, while 85% want to partner with technology providers. The move towards Insurtech services has been partially driven by COVID-19 crisis.




 Founded: **2008**

 Employees: **10,000+**

 Regions of operations: **India, UAE and the Middle East**

 Total Funding: **US\$767M**

 Funding Type: **Private**

In April 2021, PolicyBazaar India has raised US\$75 million (AED275 million) for its UAE and Middle East expansion plans. This investment is the largest financing round in the online insurance space within the entire UAE region. PolicyBazaar UAE aims at enhancing customer experience by providing customised insurance and financial services products.



 Founded: **2013**

 Employees: **101-250**

 Regions of operations: **Dubai, UAE**

 Total Funding: **US\$29M**

 Funding Type: **Series B**

Bayzat is a B2B technology company that provides insurance packages as well as HR solutions, such as payroll and policy benefit communications. Bayzat has raised a total of US\$29M in funding over 5 rounds. Bayzat's mission is to make world-class employee experiences accessible to every small- and medium-sized enterprise (SME).



 Founded: **2011**

 Employees: **51-100**

 Regions of operations: **UAE, Kuwait, Jordan, Bahrain, and Egypt**

 Total Funding: **US\$20M**

 Funding Type: **Series C**

Founded in 2011 as Compareit4me, Yallacompare allows users to compare and buy insurance policies online, as well as apply for bank accounts, credit cards, loans and more in nine markets across the Middle East & North Africa. The insurance aggregator claims to have a 75% share of online insurance transactions. Yallacompare has raised US\$4M in a fresh funding in May, 2021.



 Founded: **2017**

 Employees: **101-250**

 Regions of operations: **Abu Dhabi and Dubai, UAE**

 Total Funding: **US\$20M**

 Funding Type: **Series A**

Sehteq provides a usage-based health insurance platform for individuals, families, and enterprises in UAE. It offers an AI-based quotation platform for individuals to customize health insurance plans. It also offers claims processing services. The startup raised to be the 4th largest player in Middle East, and 3rd largest in United Arab Emirates with > 700,000 clients, as of 2020.





### **AWS to Set Up 3 Data Centers in the UAE by 2022**

Amazon Web Services (AWS), an Amazon.com company, announced that it plans to open three data centers in the United Arab Emirates (UAE) in the first half of 2022.

The addition of the second AWS Middle East (UAE) Region will enable local customers with data residency requirements to store their data in the UAE while also providing even lower latency across the country.

Organizations using this region will also be able to access advanced technologies from the broadest and deepest suite of cloud services to drive innovation including compute, storage, networking, database, analytics, machine learning, Internet of Things (IoT), mobile services and more.



### **Dubai's Free Trade Zone Breaks 5-Year Record in New Company Registrations**

Dubai Multi Commodities Centre (DMCC), established by the Government of Dubai to establish a hub for global commodities trade, registered 2025 new companies in 2020, its highest number of registrations in 5 years.

DMCC's strong performance is primarily due to the Business Support Package launched in March 2020 that saw interest from companies in 149 countries. This was the business hub's largest commercial offer, offering a wide range of incentives and value-added services to both existing and new companies in the Free Zone.



### **Abu Dhabi Investment Office Establishes 8 Global Hubs**

In Jan 2021, the Abu Dhabi Investment Office (ADIO) has established eight new offices in Tel Aviv, New York, San Francisco, Frankfurt, London, Paris, Beijing and Seoul.

The global network of offices, in collaboration with the Abu Dhabi Department of Economic Development (ADDED), expands ADIO's reach in key overseas markets where it is looking to attract innovative businesses to establish and grow in the Emirates.

ADIO's international expansion complements its new AED 2 billion (USD 545 million) Innovation Programme.



مصرف الإمارات العربية المتحدة المركزي  
CENTRAL BANK OF THE U.A.E.

### **Central Bank of the UAE Launches Dedicated Fintech Office**

In Dec 2020, the Central Bank of UAE (CBUAE) launched its fintech office to support Fintech activities in the banking sector and facilitate the establishment of a UAE-approved regulatory framework in co-operation with other FinTech authorities in the UAE (including in the DIFC and ADGM). The new office aims to develop a mature fintech ecosystem within the UAE and position the nation as a fintech hub regionally and globally.

The office will help to attract international and regional fintech companies as well as provide a platform for all market participants to collaborate and innovate.

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