

Legal Alert



DIFC - Innovation License

By Danielle Lobo and Saurbh Kothari | 27 August 2020

The Dubai International Financial Centre (DIFC) has recently launched a new type of license called an "Innovation License". An Innovation License is available to technology and innovation start-ups for a select number of activities including technology, research and development and software houses. An Innovation License is not appropriate for start-ups who wish to conduct regulated financial activities for which a license from the Dubai Financial Services Authority is required.

Applicants will need to ensure compliance with all the laws of the DIFC as applicable to any other entity established in the DIFC.

The licensing fee for an Innovation License has been significantly subsidized to USD 1,500 per annum. As per the DIFC's current policy, this subsidy in the licensing fee is available for the first four years and the standard licensing fee of USD 12,000 per annum shall apply thereafter.

A start-up will have the flexibility to lease an independent office or a co-working space/flexi desk. The number of visas which can be sponsored by the start-up will depend on the type and size of facility leased. ■

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Afridi & Angell's corporate department works with many DIFC companies and has extensive experience in advising such companies. Should you have any questions with respect to the innovation licence or more generally on DIFC companies, please contact one of the authors, [Danielle Lobo](#) (partner) or [Saurbh Kothari](#) (senior associate) or your usual Afridi & Angell contact.

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