UAE holding structures: developments in DIFC, ADGM and DMCC

In 2026, DIFC, ADGM and DMCC expanded the options available for holding assets and structuring private wealth in the UAE.

DIFC and ADGM removed the UAE/GCC nexus requirement for their Prescribed Company and SPV regimes, respectively. On 23 September 2026, DMCC introduced a foundations regime, adding to the SPV and HoldCo licences launched in 2025. Clients can now combine these structures within DMCC.

Holding companies are generally used to hold controlling stakes in businesses. SPVs hold specific assets, such as real estate or securities. Foundations are commonly used for succession planning and to separate personal assets from other interests.

Clients can now establish holding structures with a foundation at the top in DMCC as well as ADGM and DIFC. The changes in DIFC and ADGM also broaden the use of Prescribed Companies and SPVs for M&A, financing and succession planning involving assets and transactions outside the GCC. These structures offer alternatives to entities in jurisdictions such as Cyprus, the BVI and Luxembourg.

Changes to DIFC's Prescribed Company regime

The DIFC Prescribed Company Regulations 2026 took effect on 24 July 2026. They remove the previous eligibility restrictions relating to the applicant, asset class and Qualifying Purpose (aviation, maritime, IP, crowdfunding or structured financing). A shareholder no longer needs to demonstrate an existing connection to DIFC or the GCC, and a Prescribed Company (PC) can hold assets outside the GCC.

The new rules also require PCs to appoint a DIFC-licensed corporate service provider (CSP), subject to certain exemptions. The CSP has statutory duties covering filings, fee payments and record keeping. A PC may use its CSP's address as its registered office. PCs controlled by a government entity or a listed company are exempt from the CSP requirement.

Existing PCs have six months to comply with the new requirements. Failure to appoint a CSP may result in a penalty of up to USD 20,000.

These changes bring the DIFC PC closer to ADGM's SPV regime. As of summer 2026, however, ADGM still required a connection to the UAE or the wider GCC.

ADGM removes the nexus requirement for SPVs

In September 2026, ADGM removed the nexus requirement for SPV registration. All shareholders may now be resident outside the UAE and the wider GCC, and an SPV may hold assets anywhere in the world.

ADGM has required SPVs to appoint a CSP for several years. A local connection is still required for the authorised signatory, who must be a UAE resident or a GCC national. CSPs commonly provide this service.

Wider access to passive holding structures

Both regimes remain intended for passive holding activities. PCs and SPVs cannot hire staff or carry on ordinary business operations. Regulated financial services remain subject to separate DFSA requirements in DIFC or FSRA requirements in ADGM.

The broader eligibility rules expand access to these structures without changing their permitted activities.

PCs and SPVs can hold shares, investments, real estate or IP within a broader ownership structure. They can also form part of M&A, financing, joint venture or succession planning arrangements, often with a foundation at the top.

As the two regimes become more similar, the choice between ADGM and DIFC increasingly depends on the needs of the proposed structure, including the applicable law and access to the courts.

DMCC introduces a foundations regime

DMCC's Foundations Regulations took effect on 23 September 2026, following the announcement of the new regime in June. A DMCC foundation is a legal entity separate from its founder. It can hold and manage assets in accordance with its purposes and governance arrangements.

The regime complements DMCC's SPV and HoldCo licences, launched in 2025. Clients can now use SPVs, holding companies and foundations together within DMCC.

A key distinction between DMCC foundations and foundations in DIFC, ADGM and RAK ICC is the legal framework of the jurisdiction. DIFC already has more than 1,000 registered foundations.

Unlike DIFC and ADGM, DMCC has neither its own court system nor a separate body of substantive law. Unless the parties agree on an alternative dispute resolution mechanism, all disputes will be heard by the DIFC Courts.

DMCC has announced that it will shortly publish detailed guidance on establishing and operating foundations. Pending that guidance, the regime may appeal to clients seeking an accessible foundation structure alongside an existing trading or commercial business in DMCC.

We will publish a detailed review of the regime once the guidance is available.

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