From regional market to global financial hub: Looking ahead to the Middle East's next twenty years

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This week, Waystone marks twenty years of operating in the UAE. It's an opportunity to reflect on how dramatically the region's financial services industry has evolved since we established our presence in the Dubai International Financial Centre (DIFC) in 2006 - and to consider what the next two decades could hold.

Twenty years ago, the Middle East occupied a very different place in the mindset of the global financial services industry. International firms came to the region primarily to raise capital. Financial free zones were still developing, regulatory frameworks were evolving and the infrastructure supporting today's investment industry was only beginning to emerge.

It was against this backdrop that Waystone became the first specialist compliance consultancy to establish a presence in the UAE, in the DIFC. We believed the region would become a significant international financial centre and that firms would increasingly need specialist regulatory expertise to establish themselves with confidence.

Two decades later, that belief has been firmly validated.

Growing alongside the market

The Middle East has developed into one of the world's fastest-growing financial ecosystems, and Waystone's journey has closely mirrored that evolution.

In 2006, we operated from a single serviced office in the DIFC with a team of just three people. Today, we employ almost 70 professionals across four locations in the UAE. Over the past twenty years, we have helped almost 600 financial services firms establish operations in the country and today support more than 400 active clients.

Our expansion into Abu Dhabi Global Market (ADGM) in 2017, the opening of our onshore UAE office in 2019 and the launch of our Management Company (ManCo) and Distribution Company (DistCo) solutions in 2025 reflect the increasing maturity of the market and the changing needs of international asset managers.

The wider market has evolved just as rapidly. DIFC and ADGM are now internationally recognised financial centres, attracting leading asset managers, private capital firms, hedge funds and institutional investors from around the world. Regulatory frameworks have matured, financial infrastructure has strengthened and the breadth of investment activity has expanded considerably.

The pace of change has accelerated over the past five years. The number of financial services firms establishing in the UAE has trebled compared with the previous fifteen years, driven particularly by the asset management industry. As Waystone's global funds business has grown, so too has our ability to support managers entering the region, helping establish a leading position within the UAE's investment funds ecosystem.

The next twenty years

If the last twenty years were about establishing the Middle East as an international financial centre, the next twenty will determine its influence on the future of global finance.

Sovereign wealth funds will remain among the world's most important institutional investors, but they will be joined by a rapidly expanding private wealth market. Family offices continue to proliferate, individual wealth is growing and governments are encouraging deeper domestic capital markets. At the same time, privatisation programmes, expanding regional conglomerates and continued investment across infrastructure, real estate and private markets are creating a much broader investment landscape.

This is changing how international firms approach the region.

The days of maintaining a small representative office focused solely on sales and distribution have largely passed. Increasingly, firms are relocating portfolio managers, investment professionals, risk teams and senior decision-makers to the Gulf. Banks are expanding lending and trading operations, while asset managers are building regional headquarters that serve clients across the Middle East and beyond.

Saudi Arabia's economic transformation is expected to establish the Kingdom as one of the world's leading financial centres over the coming decades, while the UAE continues its rise towards the top tier of global financial hubs. Together, they are attracting international capital, businesses and talent at a pace few other markets can match.

Innovation as a competitive advantage

One of the region's defining strengths has been its willingness to embrace innovation while maintaining robust regulatory oversight.

Across artificial intelligence, digital assets, decentralised finance and next-generation payment infrastructure, regulators have consistently engaged with emerging technologies and developed frameworks that provide firms with clarity and confidence. This collaborative approach has helped accelerate innovation while preserving market integrity.

Combined with a growing concentration of financial services talent, competitive business incentives and sustained investment in infrastructure, the Middle East is creating an environment that encourages firms to develop and scale new products from within the region.

The next chapter

Looking back over the past twenty years, the defining story has been the emergence of the Middle East as a globally respected financial centre.

Looking ahead to the next 20 years, the conversation will be different. The region's influence will increasingly be measured by the financial institutions it attracts, the investment products it develops, the regulatory frameworks it pioneers and the role it plays in shaping the future direction of global markets.

Waystone has had the privilege of growing alongside this remarkable journey - from becoming the first specialist compliance consultancy in the DIFC in 2006 to building a full-service platform spanning compliance, governance, ManCo and distribution solutions across the UAE.

As the region enters its next chapter, we remain committed to helping asset managers and financial institutions establish, operate and grow across one of the world's most exciting financial markets. Based on the transformation we have witnessed over the past twenty years, we believe the most significant chapter in the Middle East's financial story is still to come.