Virtual Assets

A practical overview of **virtual asset regulation in the UAE**: cryptocurrency, tokens, blockchain businesses, licensing, compliance, and dispute resolution.

CORE AREAS

REGULATORY FRAMEWORK

Virtual assets include cryptocurrencies, tokens, blockchain-based products, and related services. In Dubai, VARA regulates most virtual asset activity outside the DIFC.

LICENSING

Virtual asset businesses may require licensing, approval, or a no-objection certificate. This may apply to exchanges, broker-dealers, custody, advisory, lending, transfers, token offerings, or proprietary trading.

COMPLIANCE

Virtual asset businesses are subject to AML, KYC, sanctions, governance, cybersecurity, disclosure, custody, and client protection obligations. Banking, source of funds, and transaction monitoring are often central compliance issues.

DISPUTES & RECOVERY

Virtual asset disputes may involve fraud, misappropriation, failed investments, frozen accounts, wallet access, smart contracts, or asset tracing. Evidence often includes blockchain, wallet, exchange, and transaction records.

KEY CONCEPTS

ACTIVITY CLASSIFICATION

The legal analysis depends on what the business actually does. Crypto trading, token issuance, custody, advisory, blockchain development, and technology support may each trigger different regulatory requirements.

REGULATORY PERIMETER

- VARA regulates most virtual asset activity in Dubai, except DIFC.
- DFSA regulates crypto-token activity in or from DIFC.
- FSRA regulates virtual asset activity in or from ADGM.
- UAE AML and sanctions rules may apply across all structures.

Exploring opportunities in virtual assets?

Our team can guide you through licensing, compliance, cryptocurrency, and digital asset disputes.

BOOK A CONSULTATION ↗

© **2026 HPL Yamalova & Plewka FZCO (LYLAW). All rights reserved.** This publication is for general informational purposes only and does not constitute legal advice. Laws and regulations may change. For advice specific to your circumstances, consult a qualified UAE lawyer.

www.lylawyers.com ■ legal@lylawyers.com ■ +971 52 205 8149

Reef Tower 1805 & 1806, Jumeirah Lakes Towers, P.O. Box 487111, Dubai.