GCC Digital Assets:
A Regulatory Overview

Four jurisdictions, four distinct approaches to digital assets, stablecoins and tokenization.

June 2026 | For discussion purposes

OVERVIEW

Four Distinct Regulatory Approaches

The GCC is often discussed as one digital asset market. The regulatory reality is more nuanced.

AE UAE

Advanced multi-regulator framework

- 5 regulators: VARA, DFSA, FSRA, SCA, CBUAE
- 4 live CBUAE-licensed stablecoins
- Broadest coverage: crypto, stablecoins, RWA, exchanges, custody, payments
- Most comprehensive — but most complex to navigate

Most comprehensive ecosystem

SA Saudi Arabia

Cautious on crypto; strong focus on tokenisation

- Crypto trading effectively prohibited
- Two live tokenisation tracks: REGA real estate + CMA sukuk
- SAR 3.4bn in tokenised sukuk issued in 2024
- Active participant in wholesale CBDC pilots (mBridge, Project Aber)

RWAs, sukuk and market infrastructure

BH Bahrain

Single-regulator innovation framework

- CBB = sole regulator for all crypto and stablecoins
- SIO stablecoin framework live July 2025
- Uniquely permits yield-bearing stablecoins
- Hosts Binance, Crypto.com, BitOasis

Simpler architecture and innovation focus

QA Qatar (QFC)

Narrow but highly focused framework

- QFC-only: permits tokenised financial assets
- Crypto & stablecoins remain Excluded Tokens
- Legal recognition of smart contracts
- Tokenised shares, sukuk, bonds, commodities, RE

Tokenised assets and smart contracts

AE — UAE

The Multi-Regulator Ecosystem

Five regulators; four jurisdictional layers; four live CBUAE-licensed stablecoins.

VARA	*Dubai mainland (excl. DIFC)*	Full VASP licensing; FRVA/ARVA issuance; AML enforcement.
DFSA	*DIFC free zone, Dubai*	Full-spectrum crypto token regime covering utility, investment and security tokens; stablecoin recognition framework (USDC, EURC, RLUSD recognised).
FSRA / ADGM	*Abu Dhabi free zone*	Comprehensive virtual asset framework; FRT issuance licence (Dec 2024); bans on privacy & algorithmic stablecoins.
SCA	*Federal (mainland)*	Security & commodity token contracts; EmCoin — first SCA-licensed integrated VA trading platform (Jun 2025).
CBUAE	*Federal (all UAE)*	Dirham Payment Tokens (licence) and Foreign Payment Tokens (registration); Digital Dirham CBDC managed separately.

Live CBUAE-licensed Stablecoins

AE Coin — **AED 1:1**

Al Maryah Community Bank

Zand AED — **AED 1:1**

First AED coin on public blockchains

DDSC — **AED 1:1**

IHC + FAB (ADI Chain) — institutional settlement

USDU — **USD 1:1**

First USD coin registered by CBUAE

SA — SAUDI ARABIA

Two Live Tokenisation Tracks

Crypto trading remains prohibited — but two distinct, live tokenisation frameworks operate in parallel.

Track 1: Real Estate Tokenisation

Regulator: REGA + Real Estate Registry | Tech: SettleMint DALP

- Physical property deeds tokenised on sovereign RER — registry remains source of truth
- Retail fractional ownership from SAR 1; integrated SADAD payment settlement
- 4 authorised PropTechs: Jozo, Sahl, Ghanem, Madek — live under REGA supervision
- First tokenised deed issued; first distributions completed (Feb 2026)

Track 2: Tokenised Sukuk

Regulator: CMA | Permanent framework since Sept 2025

- Tokens = regulated securities under CMA rules — distinct from property deeds
- SPE holds the Sharia-compliant asset (Murabahah / Ijarah); smart contracts automate profit distributions
- SAR 3.4bn issued in 2024 (vs SAR 1.5bn in 2023); 17 licensed platforms
- Investors hold legal rights to profit yields and capital returns

BH — BAHRAIN

Single-Regulator Clarity

The CBB governs all digital assets under one roof — the GCC's most accessible licensing pathway.

CBB Crypto-Assets Module

2019

- First GCC central bank crypto rulebook
- Covers trading, custody, advisory, exchange, portfolio management
- 'Accepted Crypto-Assets' list — not all coins qualify

Stablecoin Issuance & Offering

Jul 2025

- First GCC stablecoin-specific regulatory framework
- Notably permits yield-bearing stablecoins (SIO 6.6)
- Monthly reserve audits required

AML / CFT & Travel Rule

Ongoing

- No threshold — Travel Rule applies to all transfers
- CDD mandatory at issuance AND redemption
- CBB = sole supervisor — no multi-regulator fragmentation

Licensed firms: Binance (CASP, 2022) · Crypto.com (PSP, 2024) · BitOasis (VASP) · AX Coin/AlloyX (first full SIO licence, Jun 2026) · NBB + ARP Digital (GCC's first Bitcoin-linked structured note, Oct 2024)

QA — QATAR

Narrow but Focused

The QFC Digital Assets Framework 2024 opened a carefully bounded space for tokenised financial assets.

DAR 2024 — QFC Digital Assets Regulations

- Legal foundation for all digital assets in QFC
- Smart contracts legally recognised
- TSP licence required from QFCRA for any token services
- Defines Permitted Tokens vs Excluded Tokens

TOKN 2024 — Investment Token Rules

- Governs tokens representing rights in financial instruments
- Covers shares, bonds, sukuk, funds, commodities, real estate
- Custody, exchange and transfer require TSP licence

PERMITTED TOKENS

Tokens representing a right in real or personal property: tokenised shares, bonds, sukuk, commodity interests, real estate titles. Must be created, transferred and held through a licensed TSP.

EXCLUDED TOKENS

Cryptocurrencies (BTC, ETH etc.), stablecoins (fiat-backed or algorithmic), CBDCs — any token that substitutes for currency or is a means of payment. Remain subject to the 2019 QFCRA prohibition.

SYNTHESIS

A Practical Observation

Despite very different architectures, a consistent direction is visible across the GCC.

All four jurisdictions appear to be converging around the same three things:
tokenised real-world assets · institutional market infrastructure · regulated settlement rails

Tokenised Real-World Assets

- UAE: VARA Issuance Rulebook + DLD real estate tokenisation
- KSA: REGA property deeds + CMA tokenised sukuk (SAR 3.4bn in 2024)
- Qatar: QFC Investment Token Rules for shares, bonds, sukuk, RE
- Bahrain: Boursa Bahrain exploring tokenised securities

Institutional Market Infrastructure

- UAE: EmCoin, DFSA-recognised stablecoins
- KSA: CMA securities framework, Sukuk Capital Company for custody
- Qatar: TSP licensing, investor protection rules
- Bahrain: CBB single-regulator model attracting institutional players

Regulated Settlement Rails

- UAE: 4 licensed stablecoins; AED–USD conversion live
- KSA: mBridge (SAMA full participant), Project Aber
- Qatar: Smart contract enforceability for settlement
- Bahrain: CBB SIO framework; Travel Rule with no threshold

WHAT THIS MEANS FOR BANKS

From Experimentation to Implementation

Regulatory direction is now visible

All four jurisdictions have published frameworks. The question is no longer if regulation exists, but how to navigate it. Frameworks are live, not settled.

RWA tokenisation is the convergence point

UAE leads in breadth and licensing infrastructure. Saudi Arabia is advancing rapidly. Qatar and Bahrain have clear frameworks in place.

Stablecoin strategy is now a Board question

The UAE has four live regulated stablecoins; Bahrain's first SIO applicant has in-principle approval. Banks face a choice: issue, distribute, custody — or watch from the sidelines.

Harmonisation is the unfinished agenda

A CBUAE-licensed stablecoin is not usable in Bahrain by default. Cross-border interoperability remains unresolved across the GCC.

The question for banks is no longer whether digital assets matter. It is what role they intend to play.

Want to talk through what this means for your institution?

ClariNova Partners advises banks and fintechs on digital asset strategy, regulatory positioning and market entry across the GCC.

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