# Abu Dhabi Global Market Financial Services Regulatory Authority regulatory update

Q2 2026

apexgroup.com

## Regulatory horizon scanning and enforcement

**On April 27, 2026,** enhancements to the insurance regulatory framework were introduced, including climate-related financial risk requirements. These changes require insurers to identify, assess, and integrate climate-related risks into their governance structures, risk frameworks, and capital planning processes. The update aligns Abu Dhabi Global Market ("ADGM") with global regulatory trends on sustainability and resilience, and signals increased supervisory focus on non-financial risks impacting financial stability. Click the **link** to learn more.

**On April 30, 2026,** the FSRA completed a regulatory framework for virtual assets (staking), providing clarity on supervisory expectations. The framework formally introduces regulatory treatment for staking activities, including how firms manage custody, client assets, operational risks, and disclosures. It ensures that staking arrangements are conducted within a clear regulatory perimeter while maintaining investor protection and market integrity. This also signals the FSRA's continued development of a comprehensive digital assets regime within ADGM. Click the **link** to learn more.

**On May 13, 2026,** ADGM reported strong institutional interest with significant global inflows. The announcement highlighted increasing interest from global asset managers with substantial assets under management ("AUM") planning to establish presence in ADGM. This reflects growing confidence in the jurisdiction and signals continued expansion of the financial ecosystem, which is likely to result in increased regulatory oversight and supervisory expectations. Click the **link** to learn more.

**On May 14, 2026,** ADGM published an updated Legal Persons and Arrangements ("LPA") Risk Assessment highlighting money laundering/terrorist financing ("ML/TF") risks and alignment with UAE National Risk Assessment. The report provides a jurisdiction-specific overview of ML/TF risks, highlighting improvements in beneficial ownership transparency, regulatory supervision, and AML controls. It serves as a key reference point for firms to reassess their risk assessments and ensure alignment with evolving regulatory expectations. Click the **link** to learn more.

**On May 20, 2026,** the FSRA entered a cross-border regulatory cooperation Memorandum of Understanding ("MoU") with the Hellenic Capital Market Commission. The MoU enables structured cooperation between the two regulators, including information sharing, joint supervision, and enforcement collaboration. This is particularly relevant for firms operating across jurisdictions, as it increases the likelihood of coordinated regulatory action and strengthens cross-border AML and compliance oversight. Click the **link** to learn more.

**On May 21, 2026,** FSRA completed making enhancements to its AML framework, including amendments to its Financial Services and Markets Regulations ("FSMR") and AML Rulebook, focusing on a risk-based approach, strengthened governance oversight, and increased expectation for documented controls. The enhancements reinforce the expectation that firms must clearly demonstrate how AML risks are identified, assessed, and mitigated in practice. While no fundamental new obligations were introduced, the changes significantly elevate supervisory expectations on implementation quality, documentation, and board-level accountability. This represents a shift toward more intensive supervision and evidence-based reviews. Click the **link** to learn more.

## Consultation papers

**On May 1, 2026**, the FSRA issued a consultation on enhancements to its AML framework aimed at strengthening regulatory expectations and aligning FATF standards. The consultation focuses on enhancing the practical application of the risk-based approach, requiring firms to clearly evidence how customer risks and ML/TF exposure are identified, assessed, and monitored. It also strengthens expectations around governance, including active board and senior management involvement in AML oversight. This consultation signals a move toward evidence-based supervision, where firms will be assessed on effectiveness rather than policy documentation alone. Click the **link** to learn more.

## Enforcement actions

No enforcement actions were issued during Q2 2026.

## Matters of clarification

**On April 17, 2026**, the FSRA issued a Regulatory Alert regarding an entity named "MaskEx" falsely claiming to be licensed in ADGM. The FSRA confirmed that the entity is not authorised or incorporated within ADGM and warned investors against engaging with it. This alert reflects increasing risks of unauthorised entities misrepresenting regulatory status and highlights the importance of verifying firms via official registers. Click the **link** to learn more.

**On April 28, 2026**, the FSRA issued a supervisory alert concerning fraudulent websites (including Exinityxe and Exinityx) impersonating legitimate regulated firms.

The alert drew attention to the use of cloned websites to mislead investors, obtain funds, and access sensitive data. It reinforces FSRA's strong stance on market integrity and the importance of cyber awareness across regulated firms and clients. Click the **link** to learn more.

**On May 5, 2026**, the FSRA issued an additional supervisory alert highlighting fraudulent domains (including tungsten-me.com and tgst-me.com) impersonating regulated entities. This further demonstrates the increasing sophistication of fraud attempts and reinforces expectations for firms to maintain robust client awareness protocols and internal controls to detect and escalate suspicious activity. Click the **link** to learn more.

## News/updates

**On May 4, 2026**, Sarwa announced that it had reached USD 1 billion in AUM. This milestone reflects strong growth in the ADGM fintech ecosystem and increasing retail investor participation. From a regulatory perspective, this expansion is likely to result in enhanced supervisory expectations around operational resilience, investor protection, and governance. Click the **link** to learn more.

**On May 13, 2026**, ADGM reported strong interest from global institutional investors, with firms representing approximately USD 4.4 trillion in AUM exploring establishment in ADGM. This development signals continued confidence in ADGM as a financial hub and indicates further growth in regulated activity, which may result in heightened regulatory scrutiny and supervisory engagement. Click the **link** to learn more.

**On May 18, 2026**, ADGM reported significant growth metrics, including a 57% increase in AUM and more than 13,000 active licences. This reflects strong ecosystem expansion across asset managers, financial institutions, and service providers. From a compliance perspective, such growth typically leads to increased regulatory expectations on AML, governance, and risk management frameworks. Click the **link** to learn more.

**On June 5, 2026**, the FSRA issued a notice regarding unauthorised domains misusing the name of Sarwa, a regulated ADGM firm. The notice warned that such domains may be used for phishing, impersonation, and fraudulent activities. The FSRA advised firms and clients to verify entities through official channels and exercise caution when engaging with online platforms claiming regulatory status. Click the **link** to learn more.

**On June 9, 2026,** Blue Owl Capital established a new office in ADGM, marking a strategic expansion into the Middle East and strengthening its proximity to regional institutional investors. This development reflects the growing attractiveness of ADGM as a jurisdiction of choice for global asset managers and alternative investment firms seeking access to regional capital and opportunities. From a regulatory perspective, the move underscores increasing cross-border capital flows into Abu Dhabi and highlights the role of ADGM's robust legal and regulatory framework in facilitating institutional participation. It also contributes to the development of a deeper and more sophisticated private capital ecosystem within ADGM, aligning with its objective of becoming a leading global financial center. Click the **link** to learn more.

**On June 9, 2026,** Copper ME received in-principle approval from the FSRA to expand its operations in ADGM, focusing on virtual asset custody and investment services. This reflects continued FSRA support for financial innovation while maintaining strong expectations around custody, safeguarding of client assets, and financial crime controls. Click the **link** to learn more.

**On June 11, 2026,** the FSRA granted Financial Services Permission to Dhabi Ltd, enabling it to operate as a full-service banking platform within ADGM, including accepting deposits and providing credit. This authorisation signals ADGM's continued evolution as a hub for digitally enabled, cross-border banking models and reflects regulatory support for innovative, technology-driven banking solutions. From a regulatory perspective, it demonstrates FSRA's willingness to accommodate new banking entrants under its prudential framework, while ensuring adherence to stringent requirements relating to capital adequacy, governance, conduct, and AML controls. The development also underscores the importance of maintaining robust risk management and compliance frameworks for new digital banking institutions entering the market. Click the **link** to learn more.

APEX

apexgroup.com

Contact us | Disclaimer