ForexLicenseWiki
The free, sourced encyclopedia of forex and CFD broker licenses
forexlicensewiki.com

UAE (CMA / DFSA / FSRA) vs Cyprus (CySEC): forex licenses compared

From ForexLicenseWiki, the free encyclopedia of forex licenses · Last updated 28 November 2026

In short: The United Arab Emirates (CMA / DFSA / FSRA): minimum capital US$2m (DFSA Category 2), retail leverage 30:1 (DIFC); others not confirmed, compensation none confirmed. Cyprus (CySEC): minimum capital €750,000 (market maker); €150,000 (STP), retail leverage 30:1, compensation 90%, max €20,000 (ICF). Figures as of November 2026.

This page sets the two regimes side by side, using the same headings for each. It does not say which is 'better': that depends on who the clients are and what protection they need. The full rules, sources and FAQs are in the Forex license in the United Arab Emirates and Forex license in Cyprus guides.

Side by side

	United Arab Emirates	Cyprus
Regulator	Capital Market Authority (CMA, formerly SCA); DFSA in the DIFC; FSRA in ADGM	Cyprus Securities and Exchange Commission (CySEC)
License	Onshore: CMA Category 1 license for trading in OTC derivatives and spot currencies. DIFC: DFSA licence for dealing in investments (Category 2 when dealing as principal). ADGM: FSRA financial services permission.	Cyprus Investment Firm (CIF) authorisation under MiFID II
Legal basis	Federal Decree-Laws No. 32 and 33 of 2025 (CMA, in force 1 January 2026); DIFC regulatory law and DFSA Rulebook; ADGM FSMR and FSRA Rulebook	Investment Services and Activities and Regulated Markets Law 87(I)/2017 (MiFID II); initial capital under the EU Investment Firms Directive

	United Arab Emirates	Cyprus
Minimum capital	DFSA: base capital of US$2 million for Category 2, which includes matched-principal dealers since 1 July 2025; US$200,000 for Category 3A agency brokers. FSRA (ADGM): US$2 million for matched-principal dealing in OTC leveraged products with retail clients. CMA (onshore): set in the CMA rulebook; figures published by advisers vary, so confirm with the CMA.	€75,000 for a firm that holds no client money and does not deal on own account; €150,000 where it holds client money or instruments; €750,000 where it deals on own account (market maker).
Application fee	Differs by regulator; not confirmed from official fee schedules here.	€7,000 under the current fee directive. In January 2026 CySEC consulted on €8,000 per investment service and €15,000 where the firm deals on own account; check whether the new fees are in force.
Decision time	Differs by regulator; no statutory deadline confirmed.	By law within 6 months of a complete application; advisers commonly report longer overall timelines once preparation is included.
Local substance	A licensed entity in the relevant zone (onshore, DIFC or ADGM) with local senior management and compliance staff.	A Cypriot company with its head office and real management in Cyprus, fit and proper directors and key function holders (compliance, risk, AML, internal audit).
Retail leverage cap	DFSA (retail): 30:1 major currency pairs, 20:1 minor pairs, gold and major indices, 10:1 oil and other commodities, since December 2021. Onshore and ADGM limits were not confirmed here.	ESMA-equivalent national measures: 30:1 major currency pairs; 20:1 non-major pairs, gold and major indices; 10:1 other commodities and non-major indices; 5:1 individual equities; 2:1 crypto-assets.
Negative balance protection	Not confirmed for all three regimes; check the relevant rulebook.	Required for retail clients per account, with a 50% margin close-out rule.
Client money	Client money rules apply under each rulebook.	Client funds must be segregated from the firm's own funds under MiFID II safeguarding rules.

	United Arab Emirates	Cyprus
Compensation scheme	No investor compensation scheme in the DIFC or ADGM that we could confirm. Onshore, the CMA reported about AED 1.2 billion of client refunds in the first nine months of 2026.	Investor Compensation Fund (ICF): the lower of 90% of the covered claim or €20,000 per client.
Cross-border passport	No. Each license covers its own zone; the 2025 federal law also applies to anyone targeting clients in the UAE, even from abroad or a financial free zone.	Yes. A CIF can serve clients across the EEA under the MiFID II passport, cross-border or through a branch; host-country conduct rules still apply.
Public register	DFSA public register (DIFC firms) [2]	CySEC register of Cyprus Investment Firms [4]

Each figure is sourced in the license guide, where every line carries its own reference.

Frequently asked questions

Which license costs more to hold, the United Arab Emirates or Cyprus?

The United Arab Emirates: DFSA: base capital of US$2 million for Category 2, which includes matched-principal dealers since 1 July 2025; US$200,000 for Category 3A agency brokers. FSRA (ADGM): US$2 million for matched-principal dealing in OTC leveraged products with retail clients. CMA (onshore): set in the CMA rulebook; figures published by advisers vary, so confirm with the CMA. Cyprus: €75,000 for a firm that holds no client money and does not deal on own account; €150,000 where it holds client money or instruments; €750,000 where it deals on own account (market maker). Capital is only the floor: running costs (staff, audit, compliance, technology) usually exceed it.

Can retail clients use the same leverage under both licenses?

The United Arab Emirates: DFSA (retail): 30:1 major currency pairs, 20:1 minor pairs, gold and major indices, 10:1 oil and other commodities, since December 2021. Onshore and ADGM limits were not confirmed here. Cyprus: ESMA-equivalent national measures: 30:1 major currency pairs; 20:1 non-major pairs, gold and major indices; 10:1 other commodities and non-major indices; 5:1 individual equities; 2:1 crypto-assets.

What happens to client money if the broker fails?

The United Arab Emirates: No investor compensation scheme in the DIFC or ADGM that we could confirm. Onshore, the CMA reported about AED 1.2 billion of client refunds in the first nine months of 2026. Cyprus: Investor Compensation Fund (ICF): the lower of 90% of the covered claim or €20,000 per client.

Can a firm with one of these licenses serve clients in other countries?

The United Arab Emirates: No. Each license covers its own zone; the 2025 federal law also applies to anyone targeting clients in the UAE, even from abroad or a financial free zone. Cyprus: Yes. A CIF can serve clients across the EEA under the MiFID II passport, cross-border or through a branch; host-country conduct rules still apply.

See also

- Forex license in the United Arab Emirates
- Forex license in Cyprus
- UK (FCA) vs Cyprus (CySEC): forex licenses compared
- Cyprus (CySEC) vs Seychelles (FSA Seychelles): forex licenses compared
- Cyprus (CySEC) vs Germany (BaFin): forex licenses compared
- Cyprus (CySEC) vs Poland (KNF): forex licenses compared
- All 25 licenses in one table

References

1. Official Capital Market Authority (CMA, formerly SCA); DFSA in the DIFC; FSRA in ADGM . United Arab Emirates. Accessed November 2026.
2. Official DFSA public register (DIFC firms) . CMA / DFSA / FSRA. Accessed November 2026.
3. Official Cyprus Securities and Exchange Commission (CySEC) . Cyprus. Accessed November 2026.
4. Official CySEC register of Cyprus Investment Firms . CySEC. Accessed November 2026.

General information, not legal or investment advice. Figures as of November 2026; confirm with the regulator before applying or opening an account.

Source: https://forexlicensewiki.com/compare/uae-vs-cyprus/
Version: last updated 28 November 2026. Check the online version for later changes.

© 2026 ForexLicenseWiki. ForexLicenseWiki is a free, independent encyclopedia of forex and CFD broker licenses: what each regulator requires and what each license does and does not protect, across 25 jurisdictions. General information, not legal or investment advice. Confirm with the regulator or a qualified adviser before acting.