



مركز قطر للمال
Qatar Financial Centre

User Guide

**YOUR TOKEN SERVICE PROVIDER(TSP) SET-
UP JOURNEY WITH THE QATAR FINANCIAL
CENTRE**

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1. Benefits of setting up in the Qatar Financial Centre (QFC)

Benefits of setting up in the QFC



1. One-stop Licence

A quick and easy set up process that licenses, establishes, and supports businesses in and from Qatar. A dedicated Client Affairs team to support your business needs.



2. Onshore Jurisdiction

QFC is an onshore business and financial centre that allows companies to operate in Qatar and in the region within a legal and tax environment aligned to international standards.



3. 100% foreign ownership

The QFC permits registered entities up to 100% foreign ownership of their business in Qatar.



4. Trade in any currency

Conduct business in any currency.



5. 100% repatriation of profits

Payments of dividends, interest, royalties and management fees out of Qatar by QFC companies are free from withholding tax, enabling tax-free repatriation of returns and profits for shareholders.



6. Competitive tax system

Fair and transparent tax regime that benefits from the Double Taxation Agreement Qatar has with 80+ countries, 10% corporate tax on locally sourced profit, no personal income tax, wealth tax or Zakat and an efficient advance ruling service.



7. English common law

A legal, judicial and regulatory framework based on English common law and international best practice, with an independent court, regulatory tribunal and dispute-resolution centre.

2. The QFC's Digital Asset Framework

Overview of QFC's Digital Assets Regulation

The Regulation underpins the sustainable growth of Qatar's Digital Asset Regime. Here are a few highlights from the Regulation.

- 01** What is a Digital Asset?
A Digital Asset (also referred to as a token) is a digital representation of a property right (referred to as the underlying). When an underlying is represented by a token, the underlying is referred to as being tokenised.
- 02** What is the QFC Digital Assets Regulation (Regulation)?
The Regulation governs Permitted Tokens, any transactions involving Permitted Tokens and the provision of Token Services.
- 03** What is a Token Service Providers (TSP)?
A TSP is a firm that has the relevant Licence and Authorisation to conduct Token Services.
- 04** What is a Token Service?
A Token Service means any of the following services carried on in relation to a Permitted Token:
1. Validation;
 2. Token generation;
 3. Token custody services;
 4. Operating a token exchange; and
 5. Token transfer services.
- 05** What Licences and Authorisations are firms required to perform Token Services?
Regulated activity: Token Services conducted in relation to Investment Tokens (Tokens representing specified products, derivatives or rights derived from specified products) are regulated. Such activities require authorisation from the QFCRA in addition to a commercial licence from the QFCA.
Non-regulated activity: Token Services conducted as a technology provider or in relation to tokens other than Investment Tokens. These require a commercial licence from the QFCA only.
- 06** What is a Permitted Token?
Permitted Tokens are tokens which are generated as the QFC Digital Asset Regulations, 2024 and not an excluded token which are assets and activities restricted by the regulations.
- 07** Who does the Regulation apply to?
The Regulation applies to all TSP.
- 08** What does the Regulation exclude from the Digital Assets Regime?
The Regulation excludes any token that does not represent an underlying right to property, is a substitute for, or represents, currency, or can otherwise be used as a means of payment e.g., cryptocurrencies.

3. Licencing and Authorising Token Service Providers

Licensing and Authorising TSP

TSP can offer the following Token Services in relation to Permitted Tokens:



1. Validation



2. Token generation



3. Token custody services



4. Operating a token exchange



5. Token transfer services

TSP are regulated when Token Services are offered in relation to Investment Tokens

An Investment Token represents rights to specified products, approved derivatives or a right in, or derived from, an Islamic financial contract. Specified products include shares, debt instrument-related products, credit facilities, warrants, securities receipts, units in a collective investment scheme, options, futures, contracts for differences, contracts of insurance, deposits and rights in investments.

Regulated TSP must obtain a [Commercial License from the QFCA](#) and obtain an [Authorisation to conduct regulated activities from the QFCRA](#).

TSP are Non-regulated when Token Services are unrelated to Investment Tokens

Non-regulated TSP must obtain a [Commercial License from the QFCA](#).

4. Applying for a Licence

Your set-up journey for Non-regulated activities

This entails, among other things, securing a Commercial Licence.

1

Expression of interest in the QFC

Your expression of interest in setting up an entity in QFC can be initiated by completing the 'Start Your Setup' form or by contacting our QFC team at +974 4496 7651 or email FinancialServices@qfc.qa.

A member of our QFC team will get in contact. Evaluation will be done based on your plans and business operations to determine the alignment with [*QFC Permitted Activities](#), and, whether your entity will add strategic value to the QFC and Qatar.

2

Complete single online application

If your proposed business operations are aligned to the non-regulated activities permitted under the QFC, a link will be shared with you to direct you to our secure QFC portal where you can complete an online 'Application for Registration and licence' with QFC. This will include a self evaluation form.

Once submitted your application and all supporting documents provided will be reviewed and assessed. Your dedicated business development representative will clarify any points that require follow up. Once you satisfy all our requirements, your application will be approved.

3

Licence certificate

Once your application is approved you will receive your licence certificate.

4

Start operations

Congratulations, you are now ready to start operating.

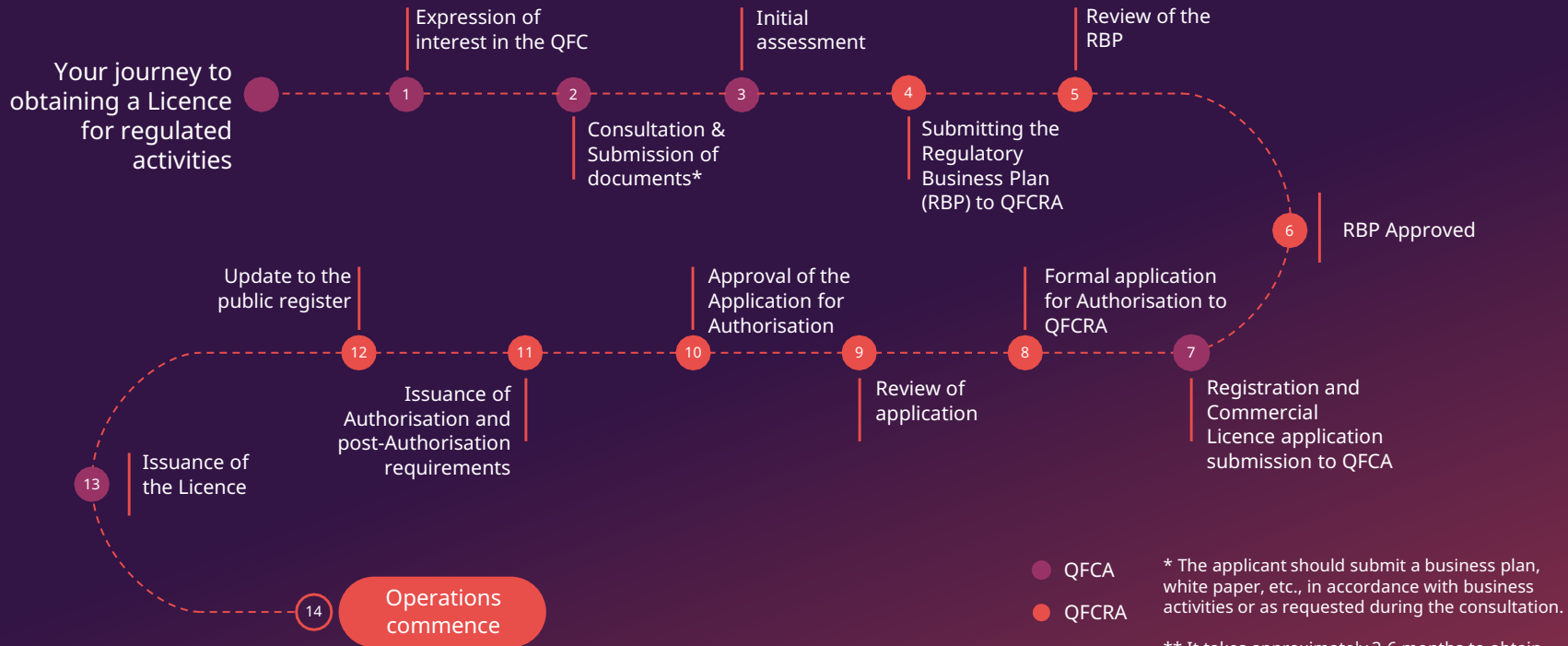
Once your entity is registered, you will be assigned a dedicated relationship manager who will support you to ensure your on-boarding is smooth. You can be assured of ongoing support from our Client Affairs team to help you throughout your business journey in Qatar.

*If it is determined that your proposed activities fall within the regulated activities, which are defined in the [QFC Financial Services Regulations \(FSR\)](#), in which case, an authorisation must be obtained from the QFCRA before proceeding with the rest of the application for the certificate of incorporation or registration.

A member of our FSS will guide you through the authorisation process and will intermediate with the QFC Regulatory Authority (QFCRA). Our FSO team can be contacted at +974 4496 7651 or email fso@qfc.qa

Your set-up journey for regulated activities

Securing a Commercial Licence and Authorisation. Please refer to the next slides for further details.



Deep dive into the set-up journey for regulated activities (1/2)

1

Expression of interest in the QFC

This is marked by completing the 'Start your Setup' form: <https://eservices.qfc.qa/register/> and booking a consultation with a representative.

This will allow QFC to determine whether the company proposes to undertake regulated activities or not.

2

Initial assessment

The QFC will confirm if application is aligned with 'QFC Permitted Activities', as defined by the QFC Financial Services Regulations, and if the entity is considered to add strategic value to Qatar and the QFC.

3

Submitting the Regulatory Business Plan (RBP)

The Applicant will need to complete the RBP document, and submit to the FSS department of the QFC.

4

Initial Review of the RBP

Upon reviewing the RBP, the FSS team will conduct an initial review and may go back to the Applicant with clarification questions and request for additional information.

5

Initial Approval of the RBP

The FSS team will review the document and evaluate if it complete. It will be forwarded to the QFCRA for further review.

6

Registration and Commercial Licence application

The QFCA will proceed with the commercial Licence procedure whilst the next steps are ongoing. Part of this will require the Applicant to complete an online 'Application for Registration and Licence' through the QFC Portal.

7

Formal application for Authorisation

The formal application requires the submission of a Q02 form and Q03 forms (one for each person that will be performing a controlled function), procedure manuals and other documentation to the QFCRA.

Deep dive into the set-up journey for regulated activities (2/2)

8

Review of submission

The QFCRA will review the submission. If the application is deemed materially complete, an invoice for the applicable fees will be issued to the Applicant. Despite the application being materially complete, the QFCRA may still require further questions or clarifications.

9

Approval of the RBP

QFCRA will provide final approval after evaluating the RBP.

10

Approval of the Application for Authorisation

QFCRA will provide final approval after conducting the review.

11

Issuance of Authorisation and post-Authorisation requirements

There will be a list of post-Authorisation items that a firm will be required to do after the QFCRA provides an Authorisation before the firm will be allowed to become operational. This will be agreed with the Applicant before the Authorisation recommendation is submitted to the QFCRA management for review.

12

Update to the public register

After approval, the QFCRA public register is updated to include the firm, a copy of its Scope of Authorisation, and information on every individual approved for a controlled function. It will note that a firm is "Authorised – not yet commenced Regulated Activities". The firm must complete the post-Authorisation requirements.

13

Issuance of the Licence

Once the Commercial Licence application is approved, Applicant will receive the final licencing certificate. This should happen simultaneously with step 12, resulting in the issuance of the Licence.

14

Start operations

Congratulations, you are now ready to start operating.

FCRA.

Eligibility criteria – TSP Licence

To be eligible for participation in the TSP License, Applicants must meet the following criteria (including the technical, architectural and infrastructure standards):

Criteria	Description
Relevance to Qatar's market	QFC will assess whether the Applicant's token product or service aligns with Qatar's market needs and strategic objectives. The solution should demonstrate the how it can address specific challenges or opportunities within the local ecosystem. The Applicant's token solution should showcase innovative features and differentiation from existing offerings in the market. Unique value propositions and benefits for users will be evaluated.
Market readiness	The Applicant's token offering should be fit for commercialisation and are ready to be deployed in the market. Evidence including policy and procedure, as well as testing, will be required to prove the operating effectiveness of the business model, revenue model, sufficient customer base, robust technology infrastructure, and product/service functionalities.
Financial stability	QFC will evaluate the financial stability of Applicants, including the financial soundness, financial health, adequacy of capital reserves, financial auditing procedures, and adherence to international accounting standards. Applicants must also demonstrate the potential for long-term profitability and contributions to the growth of the ecosystem.
Partnerships and collaboration	The regulator will consider the strength and relevance of partnerships or collaborations established by the Applicant. Engaging with local institutions, financial entities, or industry stakeholders demonstrates a commitment to integration within the Qatari market.
Robust governance and risk management	Applicants must present a comprehensive risk management framework that addresses potential risks related to token activities, investor protection, cybersecurity, and operational risks. QFC will also evaluate the governance structure of the Applicant's organization, including board oversight, internal controls, and compliance monitoring procedures.
Consumer protection	The Applicant must have robust customer protection measures in place, including procedures for safeguarding customer funds and assets. QFC will assess the Applicant's risk management practices to ensure adequate protection for investors and consumers, including clear policies for handling customer funds, data privacy, and redress mechanisms for customer complaints.
Operational capabilities	Applicants should demonstrate the operational capabilities necessary to conduct token activities efficiently and effectively, including customer support, transaction processing, and service delivery.
Legal and regulatory disclosures	Applicants must provide clear and transparent disclosures regarding their activities and any associated risks to customers and investors.

6. Our Fee Structure

Our fee structure

Below we have outlined the fee structure for setup in the QFC.

Authorisation (QFCRA)		Commercial Licence (QFCA)	
Authorisation application	Annual Fee	Commercial Licence application	Annual Fee
The standard fee is based on the regulated activity (see Schedule 4 of the 2005 General Rules). If there are multiple activities, only the largest fee of the group is applied. This ranges from USD 1,000 - 40,000	Same as the Authorisation application fees	USD 500 to conduct activities of Companies Limited by Guarantee (LLC(G)s)	USD 500 to conduct activities of Holding Companies, Special Purpose Companies and LLC(G)s.
-	-	USD 5,000 to conduct all other non-regulated activities	USD 5,000 to conduct all other non-regulated activities
USD 500 for each approved individual	-	USD 50 for each additional business activity	For the first year, the standard annual fee will be pro-rated over the whole months remaining between the date of Licence and the end of the calendar year (the initial annual fee)
-	-	USD 2,000 additional, if conducting one or more DNFBP activity	USD 50 per additional business activity for licenced firms that conduct two or more non-regulated activities

* The application and annual fee for commercial licence may be waived, for the first year, subject to approval by the QFC based on considerations such as scale of the Applicant, and economic value or innovative products offered by the Applicant.

7. FAQs

FAQs (1/2)

In order to support the business ecosystem, QFC has prepared the following FAQs, subject to amendments

Q1: What does a token mean?

A: A token is a unique electronic data unit which is a cryptographically secured, digital representation of real or personal property rights (including contractual rights), which is issued, transferred and stored using distributed ledger technology or other similar technology.

Q2: What is a Permitted Token?

A: The QFC permits tokens which meet the criteria mentioned above and in the QFC Digital Assets Regulation 2024.

Q3: Can a Permitted Token be a payment or store of value?

A: No. In order for the token to be recognised by the QFC, it should not represent any underlying which is a store of value, means of payment, or right which is not a property or contractual right in a thing other than the token itself or any arrangement or product whose value derives from, and is dependent on, the value of such a store of value, means of payment, or right.

Q4: What Token Services are permitted in the QFC?

A: Currently, there are five (5) services that can be provided, namely: validation, token generation, token custody services, operating a token exchange, and token transfer services.

Q5: How can I know if the activity is regulated or not?

A: In addition to Section 2 of this User Guide, and the rules set forth under the QFC Digital Assets Regulation 2024 and the Financial Services Regulation which provide details on the types and parameters of the regulated activities, QFC encourages applicants to reach out to FSS team for more guidance.

Q6: Does the Authorisation process of the TSP differ from the current process?

A: Entities looking to undertake TSP activities, the Authorisation process remains the same as set out in Section 4 of this User Guide.

Q7: What are the fees required to join the Lab?

A: QFC is not charging any fee to businesses willing to experiment their services/products within the Lab.

FAQs (2/2)

Q8: What is the minimum paid-up share capital required to obtain an Authorisation?

A: Applicants are required to satisfy the minimum paid-up share capital requirements in accordance with the Financial Services Regulation as well as the relevant rulebooks e.g. the minimum paid-up share capital to carry out the provision of custody services is QAR 1.8 million & QAR 900,000 for advising on investment.

Q9: What is the difference between a Commercial License and an Authorisation?

A: The Commercial License is required for both regulated and non-regulated activities and evidences the registration of the entity, whilst Authorisation is the financial regulatory Authorisation which is required for regulated activities only.

Q10: How long does it take to process my Authorisation application?

A: We aim to process applications within three to six months of receiving all relevant information. The timeline depends largely on the nature, scale and complexity of the business, of the Applicants, as well as the timely submission of information by Applicants and responses to requests for further information or clarification. The application process is interactive, and may involve correspondence, meetings, reports from third parties, and on-site reviews or inspections.

Q11: What is the difference between the DNFBP activities and regulated activities?

A: DNFBP activities are activities which trigger AML oversight. These activities are further detailed under the [Anti-Money Laundering and Combating the Financing of Terrorism Rules 2019](#), while the regulated activities are the financial activities which require Authorisation from QFCRA.

Q12: What are the main obligations imposed on DNFBPs?

A: A DNFBP should be aware of its obligations which are contained in AML/CFT Rules. It is important for a DNFBP to be familiar with which parts of the AML/CFT Rules apply to them. Please read QFC AML/CFT Rules to ensure you fully understand your obligations and the requirements.

8. QFC Resource Guide

Resource Center

Digital Assets Regulation & Guidelines	Description
Digital Asset Regulations 2024	The Regulations establish the concept of tokens and define what constitutes a permitted token. They include provisions on token transfer, ownership, rights in the underlying assets, and definitions for types of token service providers subject to the licensing framework in the QFC.
Investment Token Rules 2024	The Rules make provisions for the treatment of tokens ("investment tokens") representing underlyings that are Specified Products under the QFC Financial Services Regulations (FSR). They require authorization and supervision by the Regulatory Authority for any person carrying out an activity related to such tokens.
Investment Tokens Miscellaneous Amendments Rules 2024	Regulatory Rules in consequence of the introduction of investment tokens.
Companies Regulations and Special Company Regulations, Amendment Regulations 2024	The Companies Regulations and Special Company Regulations to provide for the tokenisation of shares and related amendments.
QFCA Rules and Non-Regulated Activities Rules, Amendment Rules 2024	The QFCA Rules and Non-Regulated Activities Rules and establishes the framework for licensing token service providers, including a code of practice for token service providers, and sets out the activities that may be conducted in the QFC in relation to tokens.
Token Service Provider Guidelines	These guidelines provide comprehensive set of guidelines and best practices for technology and service providers, aid entities to comply with regulatory standards and promoting a secure and efficient token ecosystem.

Entity	Link and website sections	Topic
QFCA Resource Centre	Resource Centre Qatar Financial Centre (QFC)	Setting Up in QFC, Registration, Client Affairs, Tax, Employment Standards Office, Data Protection
QFCA Laws & Regulations	Laws & Regulations Qatar Financial Centre (QFC)	QFC Law, Regulations & Rules
QFCRA Rules for Business	QFCRA Regulatory Authority Rules For Business	General Rules, AML/CFTR, Customer Dispute Resolution, Customer and investor protection rules
QFCRA Application Process	QFCRA How to Apply	Application Process, Permitted activities, Application Tips

9. Glossary

Glossary (1/2)

These are to be read in conjunction with all relevant laws and regulations.

Term	Definition
AML	Anti-money laundering.
Applicant	An entity applying for the Commercial Licence.
Authorisation	The approval from the Qatar Financial Centre Regulatory Authority to conduct regulated activities.
Commercial Licence	The commercial licence from the Qatar Financial Centre Authority.
CFT	Combating the financing of terrorism.
CRO	Companies Registration Office.
TSP	Token Service Provider.
DNFBP	Designated non-financial business or profession.
EOI	Expression of interest.
FAQs	Frequently asked questions.
FSS	Financial Sector Services.
Full Licence	For non-regulated activities, a full licence consists of a commercial licence and registration only. For regulated activities, a commercial licence, authorisation and registration is required.
Initial Authorisation	The pre-approval from the Qatar Financial Centre Regulatory Authority to be able to conduct regulated activities, subject to post-Authorisation requirements.

Glossary (2/2)

These are to be read in conjunction with all relevant laws and regulations.

Term	Definition
Investment token	Regulated token.
Lab	Digital Assets Lab.
LLC	Limited liability company.
LLC(G)	Limited liability company (guarantee).
LLP	Limited liability partnership.
QFC	Qatar Financial Centre.
QFCA	Qatar Financial Centre Authority.
QFCRA	Qatar Financial Centre Regulatory Authority.
RBP	Regulatory business plan.
Registration	Registering a company with the Company Registration Office as part of the application process.
Scope of Authorisation	Document listing the regulated activities the entity can conduct as stipulated by the Qatar Financial Centre Regulatory Authority.