

VARA Consumer and Marketplace Alert

– Misrepresentation of Participation in the DLD Real Estate Tokenisation Project

23 April 2025

The Dubai Virtual Assets Regulatory Authority (VARA), in coordination with the Dubai Land Department (DLD), issues this alert in relation to entities falsely claiming or otherwise purporting to participate in the pilot phase of the “DLD Real Estate Tokenisation Project” (“the Project”). The Project was officially launched on 19 March 2025 as a limited pilot phase involving select participants approved by both DLD and VARA.

Key Warnings for Consumers and Market Participants:

False Representation of Participation: No entities beyond those explicitly approved by DLD and VARA are authorised to participate in the pilot phase. Any entity promoting their involvement in the Project without formal confirmation from either VARA or DLD is misrepresenting their status. Official communications confirming participation will be issued solely by DLD and/or VARA.

Promotion of Unlicensed Activities: Entities marketing real estate tokenisation services linked to assets located in Dubai, particularly where promotional materials or digital platforms target Dubai-based customers, may be promoting unlicensed Virtual Asset (VA) activities, unless licensed or otherwise authorised by the relevant authorities. Such behaviour may breach VARA’s Regulations, including, but not limited to, the Marketing Regulations and may be subject to enforcement action.

Risks to Consumers and Investors: Engaging with unlicensed platforms or those falsely claiming participation in the Project exposes consumers to significant financial risk. These services are not covered by the consumer protection, market integrity, or risk management measures built into the regulated pilot framework.

Legal Position and Enforcement Authority: Under Dubai Law No. (4) of 2022 and Cabinet Resolution No. 111/2022, all firms undertaking VA activities in or from Dubai must be licensed by VARA. Entities engaging in or promoting unauthorised activities, or misrepresenting their regulatory status, are liable for enforcement action, including but not limited to public alerts, financial penalties, and market prohibitions.

Consumer Guidance and Reporting: Consumers and market participants are advised to exercise caution and verify the licensing status of all firms claiming to offer VA-related services by consulting the official VARA Public Register. Any promotional content referencing participation in the Project that has not been validated through VARA or DLD should be treated with caution.

Suspected violations can be reported to VARA via: varaconnect@vara.ae

VARA is the designated authority responsible for regulating, supervising, and monitoring virtual asset activities in the Emirate of Dubai (excluding the Dubai International Financial Centre). VARA remains committed to consumer protection, investor confidence, and maintaining the integrity of Dubai's digital asset ecosystem.