

Report describes Dubai real estate as money-laundering haven

Page NO.16 Col NO.04

DUBAI: War profiteers, terror financiers and drug traffickers sanctioned by the US in recent years have used Dubai's real-estate market as a haven for their assets, a new report released Tuesday alleges.

The report by the Washington-based Centre for Advanced Defence Studies, relying on leaked property data from the city-state, offers evidence to support the long-whispered rumours about Dubai's real-estate boom. It identifies some \$100 million in suspicious purchases of apartments and villas across the city of skyscrapers in the United Arab Emirates, where foreign ownership fuels construction that now outpaces local demand.

The government-run Dubai Media Office said it could not comment on the report.

Says \$21m in real estate is held by individuals associated with Pakistan's Altaf Khanani group

For its part, the centre known by the acronym C4ADS said Dubai has a "high-end luxury real estate market and lax regulatory environment prizing secrecy and anonymity above all else". That comes as the US already warns that Dubai's economic free zones and trade in gold and diamonds poses a risk.

"The permissive nature of this environment has global security implications far beyond the sands of the UAE," the centre said in its report. "In an interconnected global economy with low barriers impeding the movement of funds, a single point of weakness in the regulatory system can empower and enable a range of global illicit actors."

The properties in question include million-dollar villas on the fronds of the man-made Palm Jumeirah archipelago to an apartment in the Burj Khalifa, the world's tallest building. Others appear to be one-bedroom apartments in more-affordable neighbourhoods in Dubai, the UAE's biggest city.

Separately, the report identified some \$21 million in real estate still held by individuals associated with the Altaf Khanani money laundering organisation, a Pakistani ring that allegedly aided drug traffickers and Islamic extremists like Al Qaeda through its currency exchange houses.

The report identified Dubai properties owned by Hassein Eduardo Figueroa Gomez, a Mexican national indicted in the US for importing mass quantities of chemicals needed to make methamphetamine. It also identified properties owned by two Iranians previously sanctioned for their work on Iran's missile programme.

Dubai, an Arabian Peninsula entrepot, long has been a favourite port of call for those skirting the law. Gold smuggling into India served as one of the emirate's most lucrative trades for the decades after the pearling industry collapsed. Guns, drugs and other illicit cargo also moved through the city-state.

Published in Dawn, June 13th, 2018