WORLD ALLIANCE
of International Financial Centers

THE Impact OF FINANCIAL CENTERS

A common framework for understanding value-creation models, measuring contribution and guiding action

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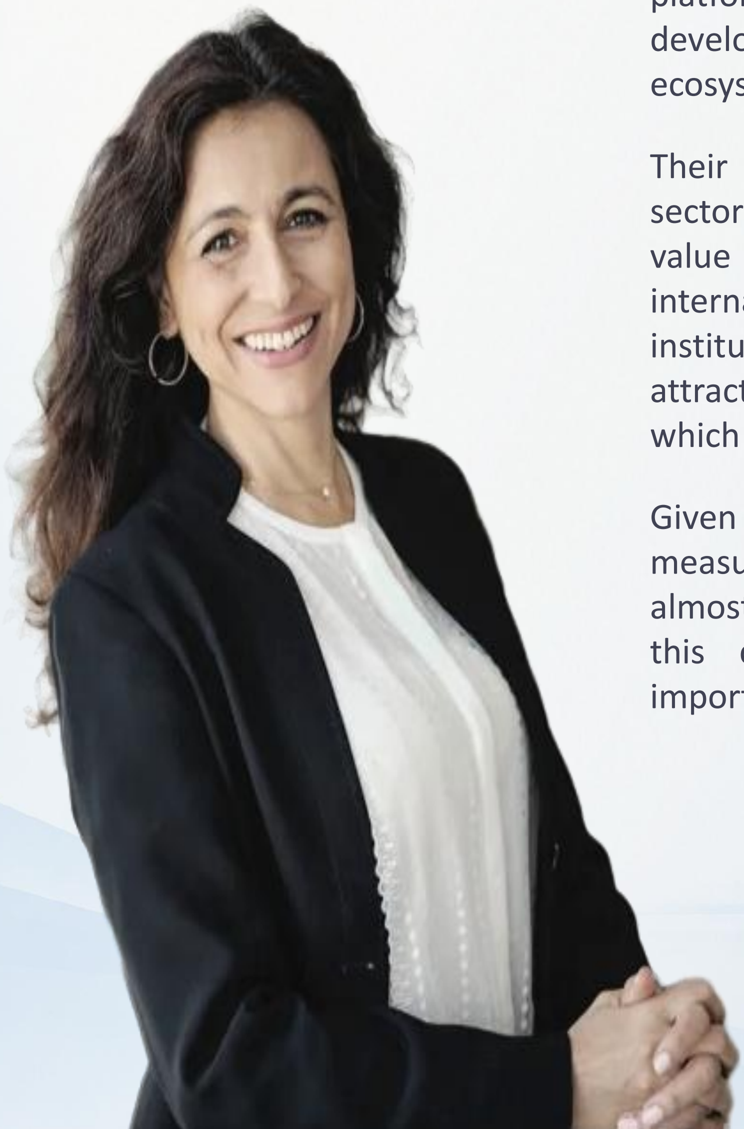

Financial centers are increasingly recognized as essential engines of economic development, connecting capital, businesses, talent and expertise across markets. Yet understanding and measuring the impact they make is far from straightforward.

Financial centers do not follow a single model. They serve different markets, operate through different institutional arrangements, pursue different strategic priorities and create value in different ways. Some are global hubs for international capital; others are regional platforms, specialized centers or catalysts for the development of their domestic financial ecosystems.

Their impact extends well beyond the financial sector itself. It encompasses employment and value creation, capital intermediation and international connectivity, innovation and talent, institutional development, and the international attractiveness and standing of the economies in which they operate.

Given this diversity, the question of how to measure our collective impact may at first seem almost impossible to answer. Yet it is precisely this challenge that makes this report so important.

I am particularly proud of the remarkable collective effort undertaken by the members of the World Alliance of International Financial Centers to develop a common framework for understanding and measuring the impact of financial centers. In my view, this represents one of the most significant collective achievements of the Alliance.

The objective was never to make our centers identical, nor to reduce their diversity to a single ranking or score. It was to establish a common language through which different models could be understood, measured and, ultimately, strengthened.

The framework does exactly that. It provides a shared structure while allowing each center to reflect its own model, priorities and stage of development.

The framework is not intended to be perfect or definitive. No single methodology can fully capture the complexity of such diverse ecosystems. Its real value lies in providing a practical and enduring reference point.

With 59 key indicators organized across 24 thematic areas, it gives our members a structured basis for assessing their impact over time, while bringing greater consistency to the way we measure and communicate our impact across the Alliance.

I believe this can become an important legacy of WAIFC. It is a tool that our members can continue to use and develop in the years ahead: to better understand their own impact, identify where they can create greater value, and demonstrate that impact to their stakeholders.

Over time, repeated measurement will allow today's snapshot to become a trajectory, creating an increasingly powerful evidence base for decision-making and policy dialogue.

The evidence presented in this report already gives us a compelling sense of the scale of what financial centers contribute:

- Across the members for which data are available, financial-center activity supports more than 4.2 million jobs and generates more than USD 750 billion in value added.
- Value added per financial-sector job stands at close to USD 280,000, nearly twice the average output per worker across OECD economies.
- Among members reporting comparable data, financial-center activity represents, on average, 10–15% of tertiary-sector GDP and 7–12% of national fiscal receipts.

But these figures tell only part of the story.

Financial centers also connect companies, investors and institutions across borders. Across the Alliance, the actors represented in these ecosystems originate from at least 130 countries.

Financial centers facilitate the movement of capital, bring together specialized expertise, foster innovation and contribute to the development of stronger institutional and regulatory environments. Their impact also extends to the reputation and international attractiveness of the cities and countries in which they operate.

This is the catalytic effect of financial centers: their value cannot be captured simply by looking at what happens within their physical or institutional boundaries. They create ecosystems that enable activity and generate value far beyond them.

This is also why I believe this framework can become an important instrument for advocacy. It will allow our members to move from claims to evidence, and from individual evidence to a stronger collective narrative.

It will help us engage more effectively with governments, regulators, investors and other stakeholders, by demonstrating in a consistent and evidence-based way the contribution that financial centers make to economic development.

And this is only the beginning.

This report marks the start of a new phase for the Alliance: one in which common definitions, recurring measurement and shared evidence can progressively turn individual impacts into collective knowledge, and collective knowledge into stronger advocacy and better-informed action.

I would like to express my sincere appreciation to all WAIFC members who contributed their expertise, data and time to this important undertaking.

The framework we have developed belongs to the Alliance as a whole. I am confident that it will serve our members for years to come as a reference, as a measurement tool, and ultimately as a lasting legacy of what we can achieve when financial centers work together.

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Executive Summary

Financial centers have progressively evolved from **places where financial activity is concentrated into broader economic and institutional ecosystems**. Their role now extends beyond facilitating transactions or attracting financial institutions: they increasingly **contribute to the development of markets, the circulation of capital, the creation of specialized capabilities, and the shaping of the regulatory and institutional environment in which financial activity takes place**. In the context of greater geopolitical fragmentation, technological disruption and intensifying competition for capital and talent, **understanding and demonstrating this broader impact has become increasingly important for financial centers themselves**.

This White Paper therefore starts with a **broad understanding of impact**. Financial centers contribute **not only through their direct economic footprint, but also through the capital they intermediate, the international actors they attract, the innovation and talent ecosystems they foster, their impact on regulatory and institutional development, and the broader visibility and attractiveness they bring to their host jurisdictions**. Taken together, these dimensions show that the **impact of a financial center extends well beyond the boundaries of the financial sector itself**.

Yet this collective impact **is generated through very different models**. Financial centers do not serve the same markets, compete through the same value propositions, operate through the same institutional arrangements or face the same development priorities. Rather than reducing this diversity to a single classification or ranking, **the White Paper proposes a three-lens approach. Strategic Positioning** captures the role a center seeks to play, and the type of impact it is positioned to generate. **Institutional Arrangement** reflects how the center is organized and how the necessary levers can be activated. **Maturity** indicates how far the center has progressed and which priorities matter most at a given point in its development.

Together, these lenses provide a **more nuanced way to understand the diversity of financial-center models.**

The purpose of this framework **is not simply to classify financial centers. It is to help translate their individual characteristics into practical action**: defining the right impact narrative, identifying the levers that matter most, understanding which stakeholders need to be mobilized and determining how priorities should evolve over time. In this sense, the framework **provides each financial center with a tailored way to connect its strategic positioning with its advocacy and development agenda**.

At the same time, diversity in financial-center models **does not prevent the use of a common approach to impact measurement**. The White Paper therefore **proposes a shared analytical framework that captures both where impact occurs and how it is generated,** from the critical mass a financial center creates to the flows it facilitates, the value and capabilities it produces, and the longer-term transformations it supports within the economy and its wider territory. This provides a common structure while leaving sufficient flexibility for each member to reflect on its own model and priorities.

The framework also opens a **potential avenue for further collaboration across WAIFC**. Should members wish to pursue it, **the Alliance could support greater consistency through shared definitions, methodological guidance and voluntary exchange of member-reported information**. The scope and form of any such collective approach would remain subject to further discussion among members.

Introduction

> *Financial centers have evolved from marketplaces into ecosystems that connect capital, expertise and institutions, and what they contribute has become the condition of their long-term relevance*

What does a financial center contribute to, and how can that impact be measured and strengthened? That question runs through this report, and it begins with what a financial center is. A financial center is more than a concentration of financial institutions. **It is an ecosystem in which firms, professionals and service providers interact to create capabilities that none of them could generate alone.** In Sticky Power, published by Oxford University Press in 2022, Daniel Haberly and Dariusz Wójcik define a financial center *"as a place that houses the financial professionals, firms and other organizations that together comprise financial markets"* [1].

Banks, insurers, asset managers, capital-market actors and market infrastructures form the regulated core of a financial center, but a center does not stop at that core. A complementary layer of **legal, tax, audit, consulting, fund administration, custody and technology firms operates around it.** In practice, the two operate as one. Launching a cross-border fund makes the point visible: **the fund needs lawyers to structure it, tax advisers to locate it, auditors to certify it, an administrator to run it and a custodian to hold its assets.** None of them is necessarily a financial institution in the regulatory sense, yet all of them belong to the financial center in economic terms. Financial centers also increasingly **act as data hubs, where global flows of digital information complement the physical concentration of firms, institutions and expertise.**

The model has never been fixed. Financial centers have **evolved alongside the world economy**, and each generation has changed the activities they perform, the scale at which they operate and the source of their competitive advantage. **Four historical forms can be distinguished**, and the sequence matters because it shows that impact changes with the function a center performs. The four forms are useful not as a rigid taxonomy, but as a way of understanding how the source, scale and beneficiaries of impact have widened over time.

The first form, **the marketplace center**, brings actors together in one location to facilitate exchange and reduce transaction costs. **Its impact begins with concentration: by assembling merchants, financiers, information and trusted institutions**, it makes transactions easier to execute and less costly to organize. Its advantage therefore comes from the institutions it aggregates and the confidence their proximity creates. Bruges offers an early example. **The terms bourse and Börse ultimately derive from the Latin *bursa***, meaning purse or money bag, and **are also historically associated with the Van der Beurze family, whose inn hosted merchants and Italian bankers from the thirteenth century**. At this stage of development, the center creates value principally by making a market possible and by reducing the friction between those who use it.

The second form extends that function from a marketplace to an economy. **The national center seeks to support domestic development by financing firms and governments**, developing capital markets and mobilizing national savings. Its impact is therefore read not only through the activity concentrated in the center itself, but through the financing capacity it provides for the wider economy. Its strength rests on state credibility, monetary stability and the depth of financial markets. What the national model adds to the marketplace model is thus a broader economic purpose.

The center becomes part of the infrastructure through which savings are transformed into investment, and through which the state and the economy gain access to capital.

The third form widens the scale once more. **The international center competes for global firms, investors and talent and organizes financial flows that extend far beyond its domestic market**. Its advantage rests on connectivity, openness and the ability of public authorities to create an environment in which international activity can be located and encouraged. Singapore established the Asian Dollar Market in 1968, at a time when domestic savings alone could not finance its development. Singapore illustrates the third form precisely because a limited domestic market, deliberate international openness and the capacity to capture cross-border flows and expertise can together carry a center far beyond the scale of its own economy. More recent centers have since extended the same logic to new regions, and the impact of an international center is consequently harder to capture through domestic size alone.

A fourth form has emerged more recently. **The regulatory and infrastructure hub does not compete primarily on the volume of activity it hosts but on the frameworks through which it operates**: licensing regimes, supervisory capacity, market infrastructures and dispute resolution that other centers and other

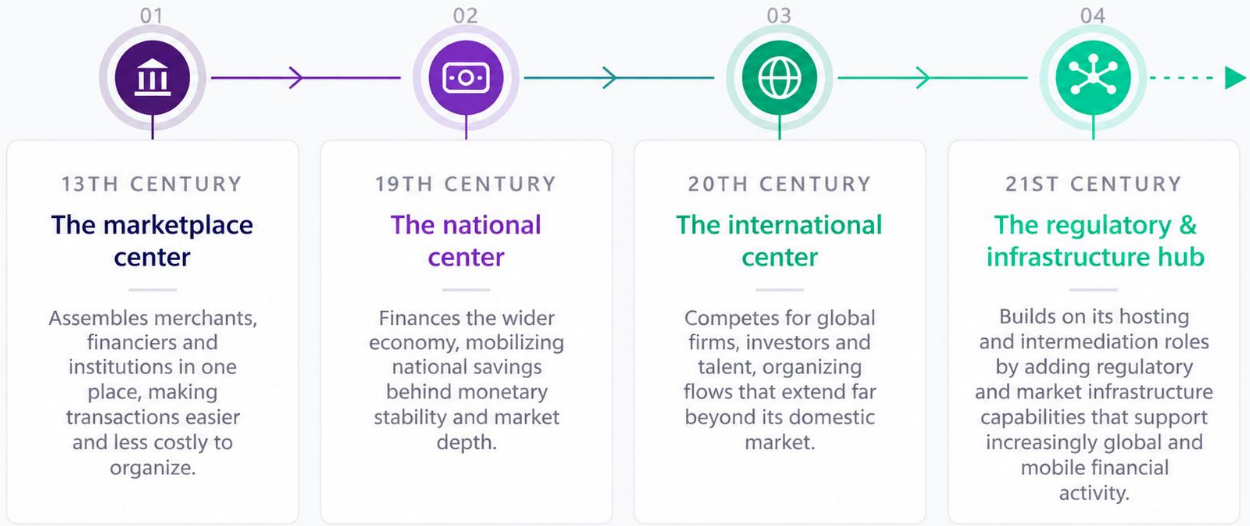
1) Haberly, D. and Wójcik, D., Sticky Power: Global Financial Networks in the World Economy, Oxford University Press, 2022

markets rely on. Its impact is measured less by what it assembles than by what it makes possible elsewhere. The sequence therefore shows a progressive widening of function: **from reducing the friction of exchange, to mobilizing savings, to connecting capital across borders, to shaping the frameworks through which globally mobile finance is governed**. At each stage, the source of impact shifts from what a center assembles to what it connects. This is why simple counts of institutions say progressively less about a center's standing: they capture the visible stock of activity, but not the flows it organizes, the value it retains or the wider changes it helps produce.

EXHIBIT 1

Historical evolution of financial centers

These stages are cumulative: new capabilities complement rather than replace the core functions developed at earlier stages.



That widening matters more than ever because the environment around financial centers is now changing faster than the models themselves. Three transformations are redrawing them at once. First, **the economic and geopolitical landscape has become more uncertain and more multipolar**. Second, **the financialization of the world economy continues to deepen as financing needs expand**. Third, **the companies, investors and individuals that centers seek to attract have become more mobile and more demanding**. The three affect different parts of the same equation: where financial activity is located, how much capital must be mobilized and what conditions the actors organizing that capital now expect. Together, they explain **why past advantages are no longer sufficient and why centers must now rebuild them faster than they erode**.

The economic and geopolitical landscape is becoming more uncertain, more multipolar and shaped by ever shorter innovation cycles. Advantages that once lasted for a generation can now erode within a single economic or technological cycle. **For financial centers, resilience increasingly depends not only on building an advantage, but on the capacity to renew it.**

The financialization of the world economy also continues to deepen. Financing needs are rising as new sectors emerge and mature industries transform. In many areas, those needs are growing faster than the capital available to meet them. The distance between the two is measurable, and it has widened. **UNCTAD estimated the annual investment gap facing developing countries at USD 2.5 trillion in 2014, on the eve of the adoption of the Sustainable Development Goals. Nine years later, its review at the midpoint of the 2030 Agenda put that gap at some USD 4 trillion, 60 percent wider**. More than half of it relates to the energy transition alone. Over the very decade in which the goals were to be met, in other words, the shortfall grew instead of closing. The demand for what financial centers do grew with it.

The expectations of companies, investors and talent are becoming more demanding at the same time. **Traditional advantages such as taxation or market depth remain important but are no longer sufficient on their own**. The actors themselves have also become more mobile: according to New World Wealth estimates, cross-border millionaire migration rose from some 64,000 to 142,000 a year over the past decade, an increase of 122 percent that has intensified competition among centers for global wealth. For financial centers, the challenge is therefore twofold. **They must channel growing volumes of capital toward an economy whose financing needs continue to expand. They must also remain attractive in an environment where attractiveness has become a matter of continuous adaptation.**

Six more immediate trends show where that movement is already changing the instruments through which centers attract activity and create value: generative artificial intelligence, global tax standards, the mobility of talent, regulatory predictability, geoeconomic fragmentation and transition finance. Each calls for a different response, but none acts alone.

Generative artificial intelligence now handles routine work once performed by large teams, shifting value toward those who analyze, structure and manage risk. Citi estimated in 2024 that 40 percent of banking tasks have a high potential to be automated, and that banking is the sector with the highest exposure of all those it assessed. Artificial intelligence, alongside blockchain, digital currencies and cybersecurity, is changing products, infrastructures and the way firms interact with clients. Tokenization shows how fundamental this shift can be, recreating in software functions such as settlement and custody that financial centers traditionally concentrated in one place. The response is to make the center the preferred hub for AI-enabled finance, by combining digital infrastructure, specialized talent and a regulatory framework prepared for it.

Global tax standards are eroding a source of differentiation on which several centers were built. With the OECD minimum effective rate set at 15 percent, even centers established around low taxation can no longer compete on tax alone. The response is to compete on real economic activity, by attracting genuine operations, headquarters and high-value jobs rather than registrations, which raises the evidentiary bar at the same time: substance is harder to demonstrate than a company count.

Human capital is becoming an increasingly mobile source of competitive advantage. The most sought-after professionals increasingly choose a center for the strength of its ecosystem rather than for a single employer [2], and the thirty-ninth edition of the Global Financial Centers Index records talent ranking above cost among location factors. Headcount alone therefore says less about the strength of a financial center than it once did: skills, specialization and value added per employee are the more relevant measures. The response is to build an ecosystem that attracts global expertise while continuously developing local talent [3].

Institutional and regulatory frameworks are becoming a more important source of differentiation. Compliance, sustainable finance, economic substance and operational resilience require centers to adapt more quickly than before. Regulatory predictability, meanwhile, increasingly sits alongside cost, talent and market access among the factors influencing location decisions. The thirty-ninth edition of the Global Financial Centers Index, published in March 2026, places regulatory predictability first among the regulatory factors it surveys and cost last [4]. The response is to treat regulatory stability as a competitive advantage, building an environment robust enough to inspire confidence and agile enough to remain competitive.

Geopolitics is dividing the world into competing blocs, and capital is following the same lines. According to estimates published by the European Central Bank in 2024, greenfield foreign direct investment between two countries in different geopolitical blocs runs at roughly a third of the level recorded within a bloc. Sanctions and export controls have turned the choice of where to locate into a strategic decision rather than a commercial one. Fragmentation also gives financial centers a function that is easily overlooked in an account of impact: the management of risk and the preservation of investor confidence. Legal certainty, independent dispute resolution, prudential and anti-money-laundering standards and demonstrated operational continuity are what allow capital to be committed at all when the environment is less predictable. They are among the reasons capital reroutes toward some centers and away from others.

Transition finance is opening a market that will not be evenly distributed [5]. The energy and industrial transition are creating fast-growing demand for large-scale, often structured financing, which favors the centers able to structure and certify it. Issuance of sustainable bonds has run at around USD 1 trillion a year since 2023. Activity of this kind concentrates

2) Oliver Wyman Forum "Talent Hubs: How Innovation and Tech Hubs Shape the Knowledge Economy."
3) World Alliance, International Financial Centers: Strategies for Attracting, Developing, and Retaining Talent
4) Z/Yen Group and China Development Institute, The Global Financial Centres Index 39
5) Sustainable finance is used here in its contemporary sense of financing climate-change mitigation and adaptation

quickly once expertise and standards become established in a few locations. The response is therefore a matter of timing as much as capability: to build the expertise and the standards for transition finance early, rather than after the global market has found its preferred hubs for transition allocations.

Read together, the six trends point toward the same structural change. **Financial activity is becoming more technology-intensive, more dependent on specialized talent and regulation, and more fragmented across jurisdictions.** A single transaction may now involve several centers, each performing a different function and capturing a different part of the value created. A fund, for example, may be domiciled in one jurisdiction, managed from another and administered in a third. Participation in the value chain is therefore not enough. **A center must understand the function it performs within that chain, the flows it connects and the share of value it retains.**

That conclusion brings the argument back to the question with which this report is concerned. **Financial centers can no longer assess their impact only through size, employment or the number of institutions they host**. As their role becomes more complex, so does the value they create. **Competitiveness increasingly depends on understanding that value, measuring the impact it generates and identifying the levers that can strengthen it over time**. Competitiveness and impact are nevertheless distinct. Competitiveness describes a center's ability to attract and retain activity; impact describes the value that activity generates for the economies and ecosystems around it. This report is concerned with the second, and with the way the second sustains the first.

This report continues the work of our White Paper The Future of Financial Centers [6]. Existing rankings serve a different and complementary purpose: they measure visibility and standing. The question of impact calls for an instrument of another kind, and that is what this report sets out to provide. The argument proceeds from evidence to measurement and from measurement to action: what Alliance members already contribute across six dimensions; why they do not create value in the same way, and what each model should be expected to deliver; and a common framework through which a center can position itself and track its impact over time.

6) World Alliance, The Future of Financial Centers

CHAPTER I

Collective Impact of Alliance Members

> *The collective impact of Alliance members is substantial and takes six distinct forms, from the jobs and value created inside the center to the standing it gives its host country*

The introduction established why impact has become central to the relevance of a financial center. **What, in practice, does a center contribute to the economy and ecosystem around it?** The material reported by Alliance members provides six dimensions, and they form a progression. **The first three describe what a center holds and moves:** *the economic value created through employment, productivity and public revenue; the capital flows it intermediates; and the international presence that connects those flows to firms, institutions and expertise elsewhere*. **The next three describe what it renews and enables**: *the innovation capacity its ecosystem supports and the talent that makes it durable; its impact on public and regulatory frameworks; and the reputational effect of a recognized center on the brand of its host city and country.* Read in this order**, the six dimensions move from what can be observed inside the center to what the center enables beyond it.**

EXHIBIT 2

6 dimensions of the collective contribution of the Alliance

Financial centers create high-productivity jobs, wealth and public revenue

Financial centers are first **a powerful engine of job creation.** Across the members for which data are available, financial-center activity, measured within the perimeter reported by each member (see Chapter III), accounted for more than **4.2 million jobs.** Employment within these centers grew at around 2.4% per year, **twice** the rate recorded across the wider economies concerned, and eleven of the twelve members with comparable data recorded faster employment growth than their respective domestic economies. Warsaw illustrates the scale a national financial ecosystem can reach: **some 466,000 people work in Poland's financial and insurance activities.** Ecosystems of comparable size are not built the same way. Stuttgart, with some 140,000 financial-sector jobs, reports 29 insurance companies compared with 17 banks, a center weighted toward insurance.

The employment effect also extends well beyond the jobs located within the center. In Frankfurt, each direct financial-center job is estimated to support **five additional jobs across the wider economy**. The multiplier can be higher in other ecosystems and lower in others still, since it depends on the depth of the supplier base and on how much of the activity is retained locally; the Frankfurt figure should therefore be read as one documented case rather than as an Alliance-wide ratio.

These jobs are also among the most productive in their economies. Among members reporting both employment and value added, value added per financial job stands at more than **USD 280,000** across the members reporting it, nearly double the average output per worker across OECD economies. The ratio varies widely: in the Bahamas it reaches some USD 540,000 per job.

That productivity gap reflects the nature of the work performed as much as its volume: a large share of these positions are high-value-added roles for highly qualified professionals, and a growing part of them sits in data, digital assets, sustainable finance and the technology functions that now support them. For a host government, it is one of the strongest arguments a financial center can make: it is not only the number of jobs that matters, but the level of qualification they sustain and the skills they keep in the country.

High productivity produces high value added: members generated more than **USD 750 billion** of it in their latest reported year. That value added feeds public revenue in turn. Financial-center activity represents typically **10–15%** of the host country's tertiary-sector GDP, an economic weight far exceeding its employment footprint, and accounts for **7–12%** of national fiscal receipts. Jersey is the clearest case: its financial sector accounted for approximately two thirds of the island's fiscal receipts in 2025, some GBP 845 million. In Malta, financial and insurance activities generated EUR 748 million in direct fiscal contribution in 2024 [7]. At those levels, the financial center becomes a material part of the fiscal capacity of its host economy, which increases both its economic importance and its exposure to changes in activity.

A center's position in global flows shapes the value it captures

Employment, productivity and fiscal receipts establish the most visible part of a financial center's impact: the value created within its own economic perimeter. They are a necessary starting point, but they do not capture the intermediation function that distinguishes a financial center from an ordinary concentration of high-value firms. The second dimension therefore moves from what a center creates within its perimeter to what passes through it. Financial centers in general facilitate global capital flows estimated at **USD 46 trillion**, close to **40%** of world gross domestic product, an external estimate that cannot be attributed to Alliance members individually.

Measuring the full scale of that intermediation across the Alliance remains an emerging discipline, and only a handful of members currently track comparable cross-border flow data.

What the evidence does show is a global specialization in which different activities have developed reference locations, several of them within the Alliance. It is London that places the United Kingdom at close to 38% of global foreign-exchange turnover, measured in April 2025 [8]. Luxembourg is the leading cross-border fund domicile, accounting for 42% of global cross-border public market assets (UCITS and ETFs), with EUR 8.5 trillion in assets under management in Luxembourg-domiciled cross-border funds in 2025. Separately, banking assets held on the balance sheets of credit institutions established in Luxembourg exceed EUR 1 trillion. And Hong Kong overtook Switzerland in 2025 as the largest cross-border wealth center in the world, with USD 2.9 trillion of non-resident assets booked there and banking assets at nine times its GDP [9]. Banking assets that exceed the host economy several times over are the clearest evidence that a center intermediates on behalf of the world rather than of its own economy.

That function runs in two directions, and a center may perform strongly on one while remaining weaker on the other. Inward, centers attract foreign direct and portfolio investment into the host economy. This is the indicator members report most often: it links financial-center activity to national investment objectives, and it makes the framework relevant to regional and investment-attraction centers as well as to the largest global intermediaries. Where consistent series exist, they can carry this account on their own and link financial-center activity directly to national investment and export statistics. Outward, centers allocate capital across markets and sectors well beyond the perimeter of their host economy. Capital intermediation is ultimately a transmission channel to the real economy, and its impact depends not only on the volume of capital mobilized but on its allocation.

International presence builds the ecosystem and compounds after critical mass

The volume of flows a center handles does not arise independently of the ecosystem around it. Capital circulates because firms, investors, advisers, market infrastructures and public institutions have assembled the relationships through which it can move.

7) NSO, Annual Non-Financial Accounts by Institutional Sectors 2020-2024, at market prices. Perimeter: financial and insurance activities

8) BIS, Triennial Central Bank Survey of Foreign Exchange and OTC Derivatives Markets, April 2025

9) BCG, Global Wealth Report 2026.

Foreign firms generally represent **40–60%** of the actors established within Alliance members, and in several members more than half of established companies are foreign-owned. Casablanca Finance City illustrates the regional platform model: 64% of its firms are international and 96 of them are regional headquarters using the center as a base for Africa. Across the Alliance, companies, investors and institutions originate from a wide range of countries, at least 130. Qatar Financial Centre shows how quickly that presence can build: it registered 1,031 new foreign firms in 2025, ten times the 2021 figure, drawn from more than 80 countries. Investors hosted by the Kigali International Financial Centre launched in 2020 are predominantly regional (72%), with international investors accounting for the remaining 28%. Diversity of that order reduces exposure to any single source market and creates the network through which capital, knowledge and opportunities can circulate.

Openness also becomes self-reinforcing once critical mass is reached. Each additional international actor deepens the ecosystem, multiplies the connections between its members and facilitates the circulation of capital, talent, expertise and opportunities, whereas below that threshold each actor must be attracted individually. Past that point, the ecosystem itself becomes part of the attraction, which means that centers at different stages require different strategies. The effect of that openness on the standing of the host country is examined under the sixth dimension.

Innovation becomes durable only when talent keeps pace

International presence deepens the network available to a center, and network density is what makes innovation possible: the more actors an ecosystem hosts, the more combinations it can test. Members reported a combined innovation ecosystem comprising more than **10,000 fintechs, innovation labs, incubators and research and development initiatives** within their reported perimeters in 2026, spanning artificial intelligence, digital assets, tokenization, payments and sustainable finance.

Innovation only becomes durable when talent keeps pace with it. Universities and specialized higher-education institutions across Alliance members produce hundreds of thousands of graduates in finance, economics and management each year, although the scale varies markedly from one center to another. That academic pipeline is complemented by international certifications, professional training and specialized programs in fintech, artificial intelligence, sustainable finance, compliance and financial crime prevention. Shortages of specialized skills nonetheless remain among the principal barriers to deploying new technologies at scale. The Alliance examined this question in detail in its 2025 talent report [10].

Centers help write international rules and carry them into domestic markets

The first four dimensions describe what a financial center creates, intermediates, attracts and renews. The fifth concerns the relationship between the center and the public and regulatory environment around it, and it rests on two roles: helping shape the rules and standards that govern financial activity, and supporting their translation into domestic frameworks.

These roles extends beyond finance itself, into areas such as company law, taxation, data governance and the administration of justice. Singapore illustrates that reach, combining a dedicated licensing regime for digital-asset services under its Payment Services Act with an international commercial court whose legal certainty is itself a factor of attraction for international firms and investors. Istanbul illustrates the national side of the same engagement. The center's positions are carried into international regulatory forums through the Central Bank of the Republic of Türkiye and the Banking Regulation and Supervision Agency. The Nairobi International Financial Centre shows how early that engagement can begin, reporting participation in a wide range of international bodies, from the East African Community and the Alliance for Financial Inclusion to the IMF and the World Bank Group. Domestically, the effect can be broader still, since the standards a financial center requires to operate can drive reforms whose benefits extend beyond the financial sector. A financial center can therefore serve as an environment in which reform is tested before broader implementation. This is a form of impact different from the financial activity recorded within the center itself.

10) WAIFC, International Financial Centers: Strategies for Attracting, Developing and Retaining Talent, op. cit. (note 3)

A recognized center strengthens the brand of its host city and country

Taken together, the five preceding dimensions produce an effect that none of them records on its own: they strengthen the reputation and the international positioning of the jurisdiction in which the center operates. The sixth dimension concerns that reputational impact. A recognized financial center strengthens the national investment brand and signals institutional quality to international investors. The effect extends well beyond finance, reinforcing the attractiveness of the host city or country for investment, talent, tourism, real estate and business activity more broadly. It is particularly important in emerging economies, where the center often serves as the business flagship of the country's international positioning, and it can be read in the standing of the host country in international rankings and assessments.

The effect is also self-reinforcing. A stronger city or nation brand makes the financial center itself more attractive to firms, capital and talent, which increases its impact and, in turn, strengthens the reputation of the jurisdiction. This is the most diffuse of the six dimensions, and the hardest to measure with precision, which is why the framework in Chapter III records it as an effect associated with the presence of the center rather than one attributed to it through a method. It is nonetheless an impact that members consistently report, and one that governments recognize.

Read across the six dimensions, the evidence establishes three conclusions that the measurement framework must preserve. The first is scale: Alliance members already generate substantial economic, financial, innovative, institutional and reputational value. The second is interdependence: employment, flows, international presence, innovation, institutional quality and reputation reinforce one another rather than operating as separate forms of impact. The third is diversity: members do not generate these effects through identical activities, perimeters or relationships with their host economies. A specialized hub and a regional platform are therefore not two positions on the same scale. The measurement challenge is not to force different centers into the same profile, but to establish a common language capable of recording different profiles consistently. How should that diversity be read? The next chapter takes up that question.

ALLIANCE AT A GLANCE*

4.2M+
Jobs concentrated across members

$280K+
Value added per job across members

7–12%
Share of national fiscal receipts in several centers

40–60%
Share of foreign firms across reporting members

10,000+
Fintechs, innovation labs, incubators and R&D initiatives

*Aggregates cover the members reporting each item. Perimeters and reference years differ and are not harmonized. Higher values do not indicate stronger performance.

CHAPTER II

Archetypes of financial centers

> *Financial centers do not create value in the same way: the role a center seeks to play, the way it is organized to deliver that role, and its stage of development together determine what it can contribute*

Chapter I established the scale of members' impact and its diversity. **However, employment, value added, capital flows, international presence, innovation, institutional influence and reputation do not appear in the same proportions in every center, and those differences do not, on their own, indicate stronger or weaker performance.** A center designed to deepen its domestic financial system may report modest cross-border flows and still perform exactly as intended. A hub concentrated in a small number of activities will display less breadth than a diversified platform because breadth is not the source of its advantage. Applied without those distinctions, a common framework would measure proximity to a single profile instead of the impact each center is designed to generate. Understanding the model is therefore a necessary step before assessing the impact.

Three questions provide that reading, and they correspond to three complementary lenses. **What role does the center seek to play?** That is its **strategic positioning**, which defines the impact it is structurally positioned to generate and the levers it is likely to require. **How is it organized to deliver that role?** That is its **institutional arrangement**, which determines which of those levers the center can activate directly and which depend on other actors. **How far has it progressed in doing so?** That is its **maturity**, which identifies the constraints that matter most at the stage the ecosystem has reached. **The sequence matters: positioning sets the profile to expect, arrangement sets the means available, and maturity sets the priorities of the moment**.

EXHIBIT 3

3 lenses for differentiating financial centers

Strategic positioning defines the impact profile a center should be expected to generate

Strategic positioning can be read through two choices. **The first is the market primarily served**: a center may orient itself principally toward its host economy, or toward cross-border activity and internationally mobile firms, investors and capital. **The second is the breadth of the value proposition**: a center may assemble a diversified financial ecosystem or build deep capabilities in selected activities or asset classes. Crossing the two produces four broad models.

The first distinction concerns **where value is intended to flow**. A **Host Economy Catalyst** uses a **broad financial ecosystem primarily to strengthen the financing capacity of its domestic economy**. It mobilizes savings and capital, finances firms and priority sectors, develops domestic markets and strengthens the institutions through which finance reaches the wider economy. In emerging economies, a critical goal of the model is also to bring more citizens and small businesses into the formal economy. The impact consequently extends beyond the activity located within the center itself. Jobs and value added remain important, but much of the value created by the model appears in the financing capacity of the economy around it. A measurement confined to the center's own perimeter would leave part of that impact unobserved.

An **International Financial Gateway** also builds a broad ecosystem **but directs that capability toward international markets.** Its role is to connect firms, investors and capital across jurisdictions and provide the range of financial and professional capabilities through which cross-border activity can be organized. Breadth allows more functions in an international financial value chain to be performed within the same ecosystem and strengthens the platform's appeal to mobile firms and investors.

The distinction lies in economic direction. A Host Economy Catalyst deploys financial capability principally into its host economy; an International Financial Gateway deploys it across international markets. In the latter case, the hosted ecosystem captures only part of the impact, with the international activity it intermediates forming another part of the same picture.

The second distinction concerns **how broadly financial capability is assembled**. A specialized hub concentrates expertise, institutions and infrastructure in selected activities and builds its competitive position through depth. A **Domestic Specialized Hub directs that depth toward the needs of the host economy**: an ecosystem primarily supporting its domestic economy through deep capabilities in selected strategic activities, such as maritime finance and digital finance. The number of activities covered says little about the strength of such a model. What matters is whether the capabilities concentrated in the center deepen the financing and expertise available to sectors that matter to the wider economy.

An **International Specialized Hub** applies the same logic to cross-border markets. **It attracts international activity through expertise in selected financial activities or asset classes, such as insurance, funds and trusts, and develops a reputation around those capabilities**. FinanceMalta provides the example. Malta hosts 585 authorized insurance and pensions entities and its financial and insurance activities generated EUR 1,636 million in gross value added in 2025 [11]. The platform draws strength from the range of functions it can host, while the specialized hub draws strength from the depth, quality and reputation of a concentrated capability. Their impact profiles differ because their sources of advantage differ.

The second lens shifts the question from purpose to delivery. Financial centers pursuing comparable strategies do not necessarily hold comparable powers.

EXHIBIT 4

4 core archetypes of financial centers

11) Malta figures: 585 insurance and pensions entities among 2,413 MFSA-authorised entities (MFSA licensing statistics, 2025); gross value added of EUR 1,636 million in financial and insurance activities in 2025, at market prices (NSO, *Gross Domestic Product Q1 2026*). Perimeters: MFSA-authorised entities and NACE financial and insurance activities respectively; the latter excludes associated legal, accounting, consulting and technology firms

Institutional arrangement determines how the required levers can be activated

In one jurisdiction, the body responsible for the center's strategy may design regulation, issue licenses and shape market entry directly. In another, those powers are distributed across regulators, ministries and other institutions, leaving the center to convene and coordinate them. The same licensing reform can therefore be a direct decision in one center and the outcome of coordination in another. Four broad arrangements capture that variation, extending from influence and coordination to more direct institutional control.

At one end, an **Industry-Led Representative Platform** acts primarily through representation and collective action. Its strongest levers lie in market intelligence, industry coordination, skills development and business development, while regulation and public policy remain outside its direct reach. A **Public-Private Coordination Platform** extends that capacity through coordination across several public and private institutions, connecting their respective mandates to align regulation and policy, develop market infrastructure and mobilize talent and innovation. A **Public Development and Promotion Agency** brings more of the development mandate within a government-backed body, allowing establishment support, incentives and facilitation to be activated directly while regulation generally remains with other institutions. At the other end, an **Integrated Regulatory and Jurisdictional Authority** combines ecosystem development with regulatory, licensing and, in some cases, judicial powers, including fully independent courts whose legal certainty is itself a decisive factor of attraction for international firms and investors, making regulation and market entry direct instruments of the development strategy.

Whatever the arrangement, the lever being mobilized reflects the strategic purpose of the center.

Institutional arrangement therefore shapes the route from strategy to implementation. A lever controlled directly in one center may depend on several institutions acting together in another. The strategic priority can be the same while the mechanism required to deliver it differs. Positioning and institutional capacity still leave one source of variation unexplained, however: centers pursuing similar models with comparable means can generate very different levels of impact because their ecosystems have reached different stages of development.

EXHIBIT 5

Four institutional models,
four ways to activate the levers

Industry-led representative platform

A private-sector body that coordinates the ecosystem through influence

CORE LEVERS
- Coordination & market intelligence
- Skills aligned with demand
- Business development by proximity

Public-private coordination platform

Responsibilities shared across public and private institutions, each within its own mandate

CORE LEVERS
- Regulatory & policy alignment
- Market infrastructure
- Ecosystem talent & innovation

Public development & promotion agency

A government-backed body driving the development and promotion of the center

CORE LEVERS
- One-stop business establishment
- Targeted incentives & support
- Promotion of the center

Integrated regulatory & jurisdictional authority

A single authority combining development with regulatory, licensing and judicial powers

CORE LEVERS
- Rapid regulatory adaptation
- Licensing & market-entry speed
- Legal certainty & dispute resolution

Maturity determines which levers deserve priority

The third lens introduces time. Financial centers develop cumulatively. Firms create demand for professional services and talent; a deeper ecosystem attracts further firms and capital; greater activity builds credibility; and credibility in turn attracts additional activity. Domestic and international credibility are not the same, however: international players expect a level playing field with domestic incumbents and usually have less leverage over local politics. Below a certain threshold, each participant must be attracted individually. Once critical mass develops, the ecosystem itself becomes part of the attraction. The impact generated by a center therefore changes as the ecosystem develops, with four stages describing that progression: activation, scaling, established and mature.

Progression begins with **activation**. The priority is to establish the foundations from which impact can emerge: core regulatory and market conditions, anchor firms, initial talent and institutional capabilities, and market credibility. Impact remains limited and concentrated because the ecosystem itself is still being assembled. Absolute scale is consequently a weak measure of progress; the more relevant question is whether the capabilities required for future activity are taking shape. As those foundations take hold, the center enters the **scaling stage**. Firms, capital and talent accumulate and priority segments approach critical mass. Outcomes can remain uneven as some parts of the ecosystem develop faster than others, shifting the priority toward removing the bottlenecks that constrain further expansion.

Once critical mass has been reached, the center becomes **established**. Impact becomes broad and recurring, and the source of incremental value changes. Continued expansion remains relevant, but greater weight falls on the functions firms perform, the expertise embedded locally and the value retained within the ecosystem. Finally, maturity shifts the challenge toward renewing an established position. Impact is deep and sustained, but advantages that took decades to build can erode within a much shorter technological or market cycle. **Mature centers** must therefore anticipate structural shifts, develop next-generation capabilities and preserve institutional and market influence.

The strategic problem consequently changes with the stage of development, and so does the meaning of individual indicators. Rapid growth in firm numbers can signal successful activation in a young center. In a mature one, productivity, specialization or the center's position in emerging financial activities may provide a stronger indication of whether competitive advantage is being renewed. The same applies to the choice of levers. An early International Specialized Hub may need anchor institutions, credible specialized regulation and external visibility; an established hub pursuing the same model may need deeper talent, stronger thought leadership or a stronger position in an evolving international value chain. Strategic positioning establishes which levers matter structurally. Maturity establishes which of them deserve priority at a given stage.

The three lenses become most useful when read together, and the three dimensions vary independently. An International Financial Gateway can operate through an integrated authority or through coordination among several institutions, just as a Domestic Specialized Hub can be in activation or already established. Two centers sharing an archetype may therefore differ materially in maturity, market depth and the scale of the financial functions they perform; the archetype describes a strategic positioning, not a level of development. Centers pursuing the same strategic model can therefore require different interventions, while similar institutional structures can support different economic roles.

The three lenses explain why impact takes different forms

Read together, the three lenses also give a center a practical advocacy roadmap. **They help it tailor the narrative and value proposition it puts forward**, and **prioritize the regulatory, market, talent, infrastructure and ecosystem levers that matter most**. They also **indicate which public, regulatory, private-sector and international actors need to be engaged, and how far the ambition and the timing of interventions should be calibrated to the center's maturity and remaining gaps**.

A common framework must therefore record different impact profiles consistently rather than assume a single one. That is the task of Chapter III.

MEMBERS ILLUSTRATING EACH CORE ARCHETYPE

01 Host Economy Catalyst
02 International Financial Gateway
03 Domestic Specialized Hub
04 International Specialized Hub

EnterpriseNGR
LAGOS

3 Strategic focus areas
Incl. commodities and legal frameworks

DIFC
DUBAI

10,000+ Active companies

1,930+ AI, FinTech & innovation companies

ADGM
ABU DHABI

47,000+ Workforce

260+ Funds managed from ADGM

AIFC
ASTANA

+6200 Registered companies

+25B Investments attracted through the AIFC ecosystem

Busan Finance Center
BUSAN

73% Firms in fintech & digital

USD 8.7bn Ship finance loans, 2024

FinanceMalta
MALTA

580+ Insurance & pensions entities

EUR 1.6bn Direct gross value added

CHAPTER III

Impact Measurement Framework

The framework captures both where impact materializes and how it is generated, from the capacity a center assembles to the flows it facilitates, the value it creates and the transformations it supports

Members contribute substantially, but they do so through different activities, across different geographic scales and within different institutional and economic contexts. The practical question is therefore not simply how much a center contributes, but **how that impact can be documented in terms that another member would recognize and that a government or other stakeholder would accept.**

Documenting impact of this kind requires **a robust and comprehensive assessment framework**. It must capture the diversity of a financial center's effects without reducing that complexity to a handful of isolated indicators. The distinction matters. A small set of indicators selected primarily because data are readily available measures what can easily be observed; it does not necessarily assess what the center contributes. A useful framework must instead begin with the different ways in which a financial center creates value and determine from there what should be measured.

The framework answers two questions. First, **where does impact materialize**: locally, across the host economy and region, or internationally? Second, **how is it produced**: through the capacity a center assembles, the flows it circulates, the value it creates and the transformations it supports?

Geography locates the impact; the causal chain explains how it is produced. Read together, they show both where value appears and how it comes about.

The first dimension distinguishes three geographic levels. The local level covers the center and the city that hosts it, from the firms established within its perimeter to the jobs, value and tax revenues they generate. The national and regional level covers the host economy and its immediate environment, where a center is understood through what changes beyond its own boundary. The international level covers what the center connects, intermediates and influences outside its jurisdiction. These levels do not rank centers; they identify the geographic scale at which each impact should be read.

Once the geographic scale has been established, **the second dimension follows the causal chain through which impact is produced.** The chain is structured around four successive questions: what has the center assembled; what passes through what it has assembled; what new value is generated as a result; and what remains once the activity of a given year has passed? These questions correspond to four links: what a center is, what it circulates, what it creates and what it transforms.

What a center is describes its installed capacity: the institutions, firms, infrastructure, talent, legal arrangements, expertise and networks that allow it to operate. This foundation matters because it determines the range and sophistication of activities the center can support.

What a center circulates measures its intermediation capacity: the capital, companies, investors, talent, information and international connections that pass through it. It captures what a center handles and connects, rather than only what resides within it.

What a center creates measures the new value generated through that activity, including value added, highly skilled employment, exports, tax revenues and new economic activities. This is the link on which most public reporting currently concentrates.

What a center transforms goes further and measures its structural footprint: innovation, financial deepening, regulatory modernization, economic diversification and the upgrading of skills. It captures what endures once the flows of a given year have passed.

Together, the four links describe a progression from the capacity a center has assembled, through the flows it intermediates and the value it creates, to the longer-term changes it helps produce. **Capacity enables circulation; circulation supports creation; and creation sustained over time can produce transformation**. Read as a sequence, the four links turn the framework from description into diagnosis. A strong installed base matters only if it connects to activity. Large flows matter only if some of the associated value is captured. Value creation matters most when it strengthens the wider economy and ecosystem.

Each link therefore points to a different constraint and a different response. A center may assemble capacity that does not circulate, in which case the constraint is connectivity and the response lies in counterparties, corridors and market relationships. It may circulate substantial flows whose value is captured elsewhere, in which case the issue is its position in the value chain, and the response lies in the functions performed locally. Or it may create significant value without producing wider structural effects, in which case the constraint lies in transmission and the response in stronger links between the financial ecosystem and the broader economy. Read this way, the chain does not score a center; it indicates where action may be required next.

The two dimensions become operational when they are crossed. **Three geographic levels multiplied by four causal links produce a matrix of twelve cells, developed into twenty-four priority thematic areas and fifty-nine key indicators.** Each cell asks the same question at a different point in the framework: what does the center possess, circulate, create or transform at this geographic scale?

The result is a **common reading grid that can be applied to any financial center, whatever model it pursues**. A common framework does not require centers to converge toward a common model. It gives them a shared language through which different models can be understood, documented and tracked. **What remains common is the structure through which impact is read; the relative importance of each cell varies according to the center's role, strategy and stage of development.**

EXHIBIT 6

The contribution assessment framework

	Is	Circulates	Creates	Transforms
Local	01 Ecosystem size and mix 02 Financial employment	03 Foreign investment 04 Transaction volume and mix	05 Direct wealth creation 06 Direct fiscal contribution 07 Job quality and skills	08 Urban and transport assets 09 Labor market and skills
National and regional	10 Systemic economic weight	11 Domestic firm financing 12 Priority sector financing	13 Induced value added 14 Induced fiscal contribution 15 Sustained employment	16 Financial system depth 17 Regulatory reform 18 Adjacent sector growth
International	19 International attractiveness	20 Capital flow intermediation 21 International project finance 22 Financial services exports	23 Innovation ecosystem	24 Influence on standards

That variation reflects the archetypes introduced in Chapter II. A Host Economy Catalyst concentrates its impact in the local and national cells of what it is, circulates and creates. An International Financial Gateway has a stronger concentration in the international cells across all four links. A Domestic Specialized Hub is primarily concentrated in the national cells of circulation, creation and transformation. An International Specialized Hub is primarily concentrated in the international cells of circulation, creation and transformation.

These are impact profiles, not rigid categories or equivalent stages of development**. A center may combine characteristics of more than one archetype, and its profile may evolve over time.** The grid therefore does not expect every center to fill the same cells. Assessing a center against cells that its model does not target would provide little insight. The relevant question is whether its observed impact is consistent with the role it seeks to play and where its own chain remains constrained.

The shape of a center's impact also changes as it matures. At the Activation stage, the center has assembled an initial institutional and operational base, but limited activity circulates through it and its wider effects remain modest. At the Scaling stage, flows and value creation begin to catch up with the installed base, while the first structural effects become visible. At the Established stage, capacity, circulation and value creation are well developed, although transformation may still lag. At the Mature stage, all four links are developed and mutually reinforcing: the center creates value within its perimeter and shapes the economy.

This progression is not a score and does not imply that all centers should follow an identical path. It provides a way to read how the balance between capacity, flows, value creation and transformation changes. **A center can therefore use the framework to identify both its profile and the link in the chain that requires attention.**

Filling the grid draws on three sources of evidence, each serving a different purpose. Public and administrative statistics provide indicators for which recognized series already exist. The member questionnaire captures information that only the centers themselves hold, including their perimeter, composition and activity. Input-output modeling estimates effects that neither source can observe directly.

Where these sources are combined, their respective roles remain visible rather than being merged into a single figure.

The same discipline applies to the results. Direct effects observed within the defined perimeter of the center, indirect effects generated among its suppliers and induced effects resulting from the spending of incomes generated by both are reported separately. This distinction keeps the causal chain visible and prevents effects generated through different mechanisms from being presented as though they were equivalent.

The framework also distinguishes among three types of statement: what is measured directly, such as the firms established within a center; what is attributed through an explicit method, such as induced value added; and what is associated with the presence of the center, such as improvements in the wider business environment. The framework does not claim to establish a counterfactual, since determining what an economy would have looked like had the center never existed lies beyond the reach of a comparable measurement framework. Instead, it makes the basis of each statement explicit so that the evidence can be read and interpreted.

Impact is not limited to benefits, and the framework records its cost and risk dimensions as well. Tax expenditure associated with incentives, competition for scarce talent, pressure on property and housing markets, and exposure to the volatility of international flows can all form part of a center's footprint. They should be read alongside the value, employment and investment it generates. Every indicator with a directional meaning therefore carries a status of benefit, cost or risk; descriptive measures with no inherent direction are not forced into one. This makes the assessment more balanced and more credible in discussions with governments, regulators, investors and other stakeholders.

Applied by one center, **the framework establishes the shape of its impact, identifies where the chain is most constrained and tracks how both move over time.** Where members choose to apply the framework and voluntarily share results, **it can also support collective learning across the network**. The Alliance can make the common structure, definitions and reference tools available, while each member retains ownership of its measurement choices and data.

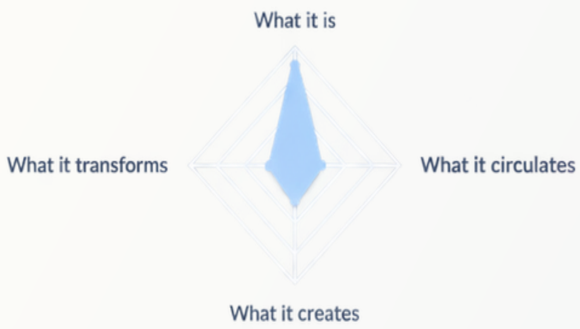
EXHIBIT 7

Impact concentration across framework dimensions for each core archetype

This reflects relative concentration within each archetype, not absolute impact or performance.

EXHIBIT 8

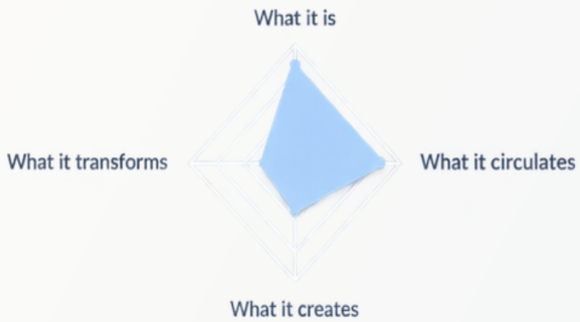
Evolution of contribution across the four stages of maturity



I Activation

(Early stage)

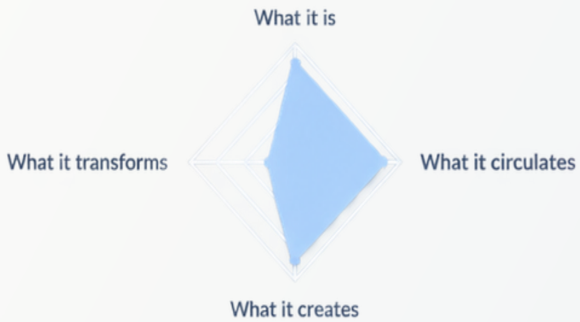
The center exists and has assembled capacity, but little of it yet flows, creates value or reshapes its environment.



II Scaling

(Growth stage)

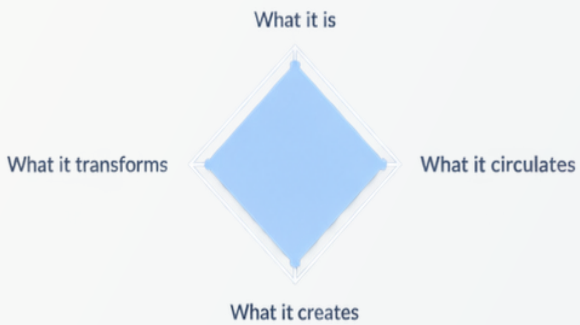
Circulation and value creation catch up with the installed base; structural effects begin to register.



III Established

(Consolidation stage)

Creation matches capacity and flows are dense; transformation is the link that still trails.



IV Mature

(Leadership stage)

The center shapes its wider enviromnent as much as its own perimeter.

CHAPTER IV

World Alliance’s role in impact measurement

“The Alliance can give its members a common language and a set of tools; what each center measures, and when, remains its own decision”

Chapter III showed how a financial center can document the shape of its own impact. This chapter considers the next step: how recurring evidence can help a center steer its development, and how the Alliance can make sound practices reusable across the network.

Alliance members already generate substantial value and document many dimensions of it with real rigor. The opportunity is not to replace those efforts with a single measurement system. **It is to make selected definitions, conventions and methods easier to understand and reuse, while preserving the differences between centers.**

Members publish annual reports, ecosystem statistics, sector studies and dedicated economic assessments that compare favorably with international practice. These exercises have been developed to answer different local questions and therefore reflect different models, institutional settings and data capacities.

Three observations emerge from the 2026 questionnaire of members. First, the range of indicators varies considerably: some members monitor around twenty indicators, while others track more than sixty. Second, reporting remains strongest on ecosystem size and less developed on the value generated through cross-border flows, services exports and wider transformation. Third, recurring historical series remain less common than one-off assessments: some centers publish annually using a stable methodology, while others commission studies in response to a particular policy or communication need.

These choices are not inherently inconsistent. Each may be appropriate to the question a member is trying to answer. The issue arises only when figures based on different definitions, geographic references or methodologies are read as though they described the same object. A shared framework should therefore make those differences visible, not erase them.

Repeated measurement adds a further benefit. A single assessment provides a picture of a center at one point in time. When the same indicators are produced on a stable basis, that picture becomes a trajectory: the center can observe how its impact changes, identify persistent constraints and relate policy choices to subsequent outcomes.

A center can document the firms within its perimeter, the professionals they employ and, where the relevant data are available, the economic and fiscal value they generate. Other questions become more informative when evidence is produced on compatible terms by more than one member.

This is particularly relevant in three areas.

The first is cross-border corridors. One center may observe capital or activity leaving its jurisdiction, but understanding the full relationship, its scale, the functions performed at each end, and the value captured by each center requires compatible conventions on both sides.

The second is transformed value. Large volumes can pass through a center without an equivalent share of value being retained locally. Distinguishing activity that mainly transits from activity that creates employment, expertise, decision-making capacity or wider economic transformation requires a common way of reading the functions performed along the value chain.

The third is return on incentives. A center may know the fiscal, administrative or regulatory instruments it provides, but assessing their results requires costs and outcomes to be documented on a stable basis. A consistent reference framework makes those results easier to interpret over time and discuss with governments and other stakeholders.

The purpose is not to produce a league table. It is to extend what each center can learn from its own evidence and to make selected practices transferable across the network.

New York shows how a standing mandate turns occasional measurement into recurring evidence. For decades, the State Comptroller has tracked the securities industry's economic and fiscal impact [12]. A published methodology, explicit exclusions and regular reporting make the results comparable over time. The series informs public revenue assumptions and supports policy decisions. **The model is not universally replicable, but its core lesson is transferable: recurring evidence requires clear responsibility, transparent methods and a stable reporting cycle.**

12) Office of the New York State Comptroller, annual report on the securities industry in New York City, 2025. The securities industry is measured at the city level

CASE STUDY

New York

A standing mandate turned into a comparable series

THE MANDATE

The Office of the State Comptroller has assessed the securities industry's impact on the city and the state for decades. Continuity of responsibility produces continuity of the series: the methodology is published, its exclusions are stated explicitly, and each observation can be read against those that preceded it.

WHAT THE MANDATE PRODUCES 2025

USD 65bn securities-industry profits	**USD 22bn** in tax receipts for the state	**19%** of total state tax collections	**17%** of New York City's economic activity

WHY THE SERIES WORKS

Standing mandate
Written into the remit of an independent institution, not commissioned case by case

Published method
A public methodology that states its exclusions, keeping the figures open to scrutiny

Comparable series
Regular publication turns data into an instrument of steering and public debate

Individual centers remain responsible for documenting their own perimeter. They hold the relevant administrative data, institutional relationships and local knowledge, and no collective body can substitute for them in that role. **The Alliance adds value at the level above individual measurement: not by measuring on behalf of members, but by providing a structure and tools they can reuse.**

The Alliance can express definitions, perimeters and methods in consistent terms so that every figure can be read for what it is. Members retain the indicators that fit their model and data capacity. The objective is not to make centers identical or align them on a single series, but to prevent meaningful differences from being hidden inside incompatible definitions.

Members that apply the framework do so on their own initiative and under their own leadership. The Alliance can make available the methodological guidance, worked examples and reference tools developed through this framework, while each member retains full ownership of its perimeter, indicators, data and measurement cycle. Transparent conventions for value added, employment effects, fiscal impact, services exports, costs and risks allow practice to converge through voluntary adoption rather than obligation.

The impact chain connects evidence to action. Where the constraint lies in installed capacity, intervention may focus on firms, talent and infrastructure. Where capacity exists but does not translate into circulation, the priority becomes connectivity: counterparties, corridors, markets and international relationships. Where activity circulates but insufficient value is retained locally, the issue is the position of the center in the value chain. Where value is created but does not generate wider structural effects, the relevant instruments are those that strengthen transmission between the financial ecosystem and the broader economy.

Instrument choice should therefore follow diagnosis rather than precedent. Two centers pursuing different models or facing different constraints within the same model should not be expected to deploy the same offering. A maturity assessment provides a position rather than a rank and identifies a constraint rather than a score. Its purpose is to show where additional effort is most likely to generate value.

A one-off study can demonstrate scale, support a policy discussion or provide evidence for communication. Recurring measurement can do more. Produced through a stable methodology and on a regular cycle, it enables a center to track its trajectory and adjust priorities as circumstances change.

Evidence then enters the decision itself. **Incentives can be assessed against the outcomes associated with them.** Programs can be reconsidered in light of the constraint identified by the framework. Discussions with governments can be grounded in a record rather than an assertion. Whether and when to use the framework in this way remains a decision for each member.

New York demonstrates what recurring institutional responsibility can achieve within one financial center. **At the network level, the Alliance can make the underlying practices reusable without making centers identical. Its role can be organized around three functions: a common language, method and peer review, and guidance that connects evidence to action.**

The Alliance does not need its members to become identical or to measure every dimension in the same way. **Financial centers differ in their mandate, economic role, institutional structure and stage of maturity; the framework must remain relevant to those differences**. Its purpose is therefore not to prescribe a single model, but to make sound practices reusable through a shared language, transparent methods and practical guidance.

Each member remains responsible for selecting the indicators that reflect its priorities, applying the framework to its own context and deciding how evidence should inform action. The Alliance provides the common structure that makes those choices explicit, credible and easier to interpret across the network.

Conclusion

Impact is not a matter of size: it has to be read through the model of the center, tracked over time and strengthened with the right instruments

This report began with a simple question that becomes more difficult the more closely it is examined: **what does a financial center contribute? The evidence gathered here provides three broad answers.**

The first is that the impact is substantial and diverse. It reaches the output and the fiscal revenues of host economies, the capital that circulates through them, the actors they attract, the innovation and talent they sustain, the frameworks they help modernize and the standing of the jurisdictions that host them. But it does not take the same form in every center, and scale alone cannot describe it.

The second is that a common language does not require a common model. A center closely integrated with its domestic economy and an international hub do not generate value through the same mechanisms. Some impacts appear directly in jobs, output and tax receipts; others lie in the capital a center connects, the relationships it assembles, the expertise it anchors or the institutional changes it helps produce. The framework developed here asks where impact materializes and how it is generated, and it records those differences instead of erasing them.

The third is that evidence becomes more useful when it is repeated over time. A single study provides a snapshot. Where members choose to repeat selected indicators using stated conventions and a stable methodology, that snapshot can become a trajectory, helping them understand how their impact evolves and where further action may be most relevant.

For members wishing to use the framework, several practical applications are possible. They may apply it within their own perimeter and according to their own priorities; make the conventions behind reported figures transparent; repeat selected measurements where this adds value; and share methods, evidence or lessons learned where useful. **The framework is designed first and foremost as a tool that individual centers can adapt to their own context.**

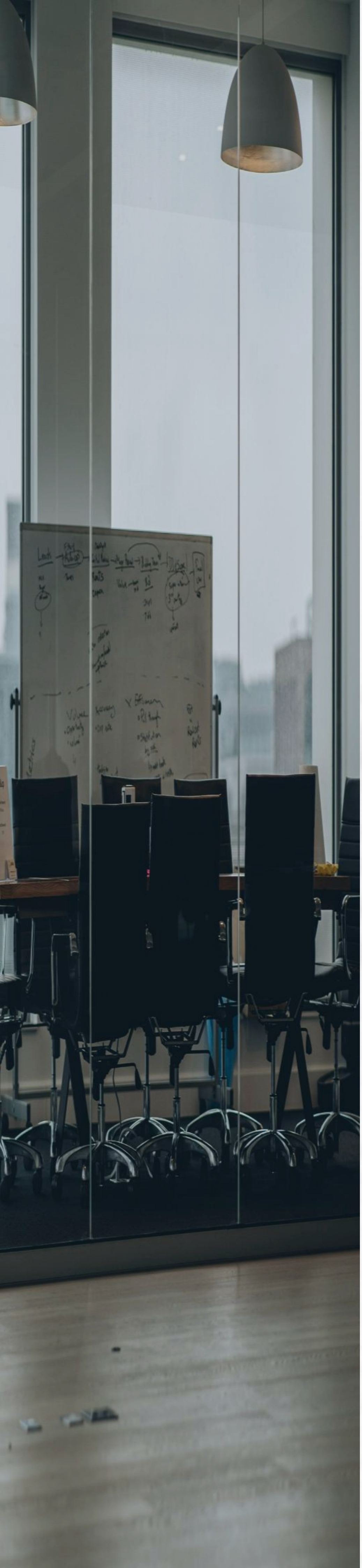
Some questions naturally extend beyond a single member: for example, how value is distributed along a financial corridor, or how different approaches to measurement can inform collective understanding. Exploring such questions would depend on members choosing to work together and on the scope they collectively consider useful.

The role of the Alliance is not to measure on behalf of its members or to prescribe a single reporting model. Its value lies in providing a **common reference, making the framework and its underlying definitions accessible across the network, and facilitating the voluntary exchange and dissemination of practices and evidence that members choose to share.**

Financial centers differ in mandate, economic role, institutional structure and stage of maturity. A single harmonized series would therefore not capture that diversity. What matters is that evidence can be understood for what it is, that measurement choices are transparent, and that different models can be discussed within a common analytical language.

A shared language is not a shared scoreboard: the framework is designed to make impact legible, not to rank one center against another. Comparability comes from making definitions and methods transparent, not from forcing every member onto the same series.

For further information or access to additional methodological and supporting materials, please contact WAIFC at info@waifc.finance



About *the Contributors*

This White Paper was developed with the support of two complementary advisory firms**, SouthBridge and Afi**, combining **strategic and institutional expertise with applied economics and quantitative analysis**. Together, the two teams worked with WAIFC **to translate member evidence into a common framework for understanding and measuring the impact of financial centers.**

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World Alliance Directory

CONTINENT	CITY	ORGANISATION	WEBSITE	EMAIL
Africa	Casablanca	CFC	https://www.casablancafinancecity.com/	contact@cfca.ma
	Kigali	KIFC	https://kifc.rw/	info@kifc.rw
	Lagos	EnterpriseNGR	https://enterprisengr.net/	contactus@enterprisengr.com
	Nairobi	NIFC	https://nifca.go.ke/	info@nifca.go.ke
	Nairobi	TRIFIC	https://trific.co.ke/	info@trific.co.ke
Asia	Astana	AIFC	https://aifc.kz/	info@aifc.kz
	Busan	Busan Finance Centre	https://www.kbfc.or.kr/	info@kbfc.or.kr
	Hong Kong	FSDC	https://www.fsdc.org.hk/	enquiry@fsdc.org.hk
Europe	Frankfurt	FMF	https://frankfurt-main-finance.com/	info@fmfinance.de
	Jersey	Jersey Finance	https://www.jerseyfinance.je/	info@jerseyfinance.je
	Istanbul	Istanbul Financial Center	https://www.ifm.gov.tr/	
	London	TheCityUK	https://www.thecityuk.com/	info@thecityuk.com
	Luxembourg	LFF	https://www.luxembourgforfinance.com/	lff_market_intelligence@lff.lu
	Malta	FinanceMalta	https://financemalta.org/	info@financemalta.org
	Stuttgart	Stuttgart Financial	https://www.stuttgart-financial.de/	info@stuttgart-financial.de
	Warsaw	Future Finance Poland	https://futurefinancepoland.com/	info@futurefinancepoland.com
Middle East	Abu Dhabi	ADGM	https://www.adgm.com/	info@adgm.com
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	Dubai	DIFC	https://www.difc.com/	info@difc.ae
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