

50 | عام الخمسين  
YEAR OF THE FIFTIETH  
٢٠٢٠ | UAE



# Doing Business in **DUBAI**

DOWNLOAD



Foreword by:

**His Highness Sheikh Ahmed bin Saeed Al Maktoum**

President of Dubai Civil Aviation Authority

Chairman of Dubai Airports

Chairman and Chief Executive of Emirates Airline and Group



CELEBRATING **10+** YEARS OF TRUST...



## **ENABLING** ◀ **DIGITAL TRANSFORMATION**

- AI Chatbots
- BI & Analytics
- Blockchain
- CRM / CEM
- Robotic Process Automation
- Managed IT Services



## ▶ **SECURING** **DIGITAL TRANSFORMATION**

- Digital Risk & Compliance
- Zero Trust
- Cloud & Application Assurance
- Digital Identity
- Data Protection & Privacy
- Managed Security Services



[finessedirect.com](https://finessedirect.com)  
email: [info@finessedirect.com](mailto:info@finessedirect.com)



MENA | APAC | AMERICAS

## DOING BUSINESS IN DUBAI



### SECTION - 1 Dubai Mainland SECTION - 2 Dubai Free Zones



#### OUR OFFICES

Dubai | Abu Dhabi | Sharjah | Ras Al Khaimah | Jebel Ali | DAFZA | HFZ | DMCC | KIZAD

[krestonmenon.com](http://krestonmenon.com)

## **TITLE: DOING BUSINESS IN DUBAI**

**Compiled by: Kreston Menon Corporate Services (KMCS)**

P. O. Box: 125365, Dubai, UAE Tel: +971 4 276 22 33

Email: [dubai@krestonmenon.com](mailto:dubai@krestonmenon.com)

[www.krestonmenon.com](http://www.krestonmenon.com)

[www.krestoncorporate.com](http://www.krestoncorporate.com)

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, Synched audio, hyperlinks or otherwise without prior permission in writing by KMCS.

**DISCLAIMER:** While every effort has been taken by KMCS to avoid errors or omissions in this booklet, any mistake or omission is not intended. The information given is liable to change without notice. It should be taken note of that, KMCS will not be responsible for any damage or loss, or any other consequences whatsoever, of any decision/investment/business set up etc. done based on the contents of this booklet.

Language: English

Number of pages : 162

Number of copies printed: 30,000

Series: 7th edition

Month and year of publication: November 2021

This book is not for sale.

This book is distributed complimentary by KMCS and by its associate entities.



**His Highness Sheikh Khalifa bin Zayed Al Nahyan**

President of the United Arab Emirates and the Ruler of Abu Dhabi



**His Highness Sheikh Mohammed bin Rashid Al Maktoum**

Vice President and Prime Minister of the United Arab Emirates and the Ruler of Dubai



**His Highness Sheikh Mohammed bin Zayed Al Nahyan**

Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces





**His Highness Sheikh Hamdan bin Mohammed bin  
Rashid Al Maktoum**

Crown Prince of Dubai and Chairman of the Dubai Executive  
Council



**His Highness Sheikh Maktoum bin Mohammed bin  
Rashid Al Maktoum**

Deputy Ruler of Dubai, Deputy Prime Minister and Minister of  
Finance

**DUBAI  
IRPC  
FREE** Dubai  
Airport  
Freezone

# GROW

**Your business with  
Dubai's Leading Freezone**

*Let's Make Possible*

Situated adjacent to the Dubai International Airport, Dubai Airport Freezone Authority (DAFZA) offers integrated business solutions that allows investors to operate in a tax-free environment with complete foreign ownership and no restrictions on currency, employment, and repatriation of capital and profits. DAFZA is home to 1800 Companies from various sectors and industries ranging from ICT & Electronics, Consumer Products, Aerospace & Aviation, Logistics & Freight, Food & Beverages and Medical Equipment to name a few.

## DAFZA Initiatives:



A global business development center focused on opportunities for manufacturers, suppliers, and distributors of Halal economy products and services.



An innovative technology company building the leading business-to-business eMarketplace in the Middle East and Northern Africa region (MENA).



DAFZA's solution to the startup ecosystem, is a flexible and easy-to-use launchpad for forming a company and scaling it to new heights.

CELEBRATING

**25**  
YEARS



[www.dafz.ae](http://www.dafz.ae)



DAFZAOFFICIAL



DAFZA LIVE





### **His Highness Sheikh Ahmed bin Saeed Al Maktoum**

President of Dubai Civil Aviation Authority

Chairman of Dubai Airports

Chairman and Chief Executive of Emirates Airline and Group

Despite the impact of the pandemic on the global economy, Dubai has managed to reinforce its pre-eminence as the most favourable destination for foreign direct investment. In 2020 alone, Dubai has recorded an FDI inflow of AED 24.7 billion and has created thousands of new jobs.

The vision and leadership of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and the Ruler of Dubai continues to inspire us to meet the challenges and embrace the opportunities of tomorrow. Building on the success of Dubai Plan 2021, the recently announced Dubai Strategic Plan 2030 aims at consolidating the amazing growth and global reputation of the Emirate for being one of the best business hubs.

It gives me great satisfaction that Dubai ranks among the top on global competitiveness index and benchmarks for cities. But we are determined to challenge ourselves and set higher standards for excellence so that we are equipped to meet the requirements of the future while also ensuring people's happiness and prosperity.

I am glad to see the 7th edition of 'Doing Business in Dubai', published by Kreston Menon, one of the prominent business consulting firms in the region with presence in the UAE since 1994. Updated with the latest requirements of all jurisdictions and checked and verified by the Dubai Department of Economic Development, this handbook will act as a guide to potential local and foreign investors.

This book will help introduce global investors to the varied opportunities and the depth and diversity of the offerings in Dubai and help them plan their future investment strategies. It is my hope that 'Doing Business in Dubai' will act as an accelerator for the targeted new global investments into Dubai.

I wish Kreston Menon and their team the very best.

# DUBAI COMMER CITY

ENABLING THE  IN COMMERCE



## LAUNCH & GROW YOUR E-COMMERCE BUSINESS WITH DUBAI COMMERCITY

Dubai CommerCity is the first & leading free zone dedicated exclusively to e-commerce in the Middle East, Africa & South Asia (MEASA) region. With an area covering 2.1 million square feet & an investment of around \$1 billion, Dubai CommerCity is uniquely designed to cater to regional & international e-commerce businesses.

- Flexible & scalable office space
- Business setup & customs support
- Multi-client warehouses & dedicated fulfillment centers with 3PL & last-mile delivery services
- E-commerce technology platform & services
- Complete e-commerce enablement services

 +971 4 291 9191

 [info@DubaiCommerCity.ae](mailto:info@DubaiCommerCity.ae)

 [DubaiCommerCity.ae](http://DubaiCommerCity.ae)

     [DubaiCommerCity](https://www.DubaiCommerCity.ae)



**His Excellency Mohammed Ibrahim Al Shaibani**

Director General of His Highness The Ruler's Court - Dubai

Managing Director - Investment Corporation of Dubai

Dubai and the UAE now enjoy the inherent strengths that characterize most developed economies, and stand out as a favourite destination for global investments and a prime location for doing business.

The momentum that began in 1971 continues today thanks to the wise leadership of the UAE. Under their stewardship, the country now boasts one of the most diversified economies globally, ranking first in the region on the FDI confidence index.

Dubai itself owes its appeal to a long list of competitive advantages, credited to the forward vision of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and the Ruler of Dubai. These include strong governance, sustainable economic diversity, continued investment in technology and innovation, a stable macroeconomic environment and an efficient response strategy to crisis and global change.

The recent amendment of the Commercial Companies Law allowing for 100% foreign ownership will underscore Dubai's position as a focal point for major multinationals and will result in substantial investments in industry and ICT sectors.

On the technology and innovation front, the vigorous pace of digital transformation in Dubai will trigger large-scale creativity, innovation, diversification and collaborations, with businesses, start-ups and individual entrepreneurs evolving multi-fold in a technology-driven world.

In matters of infrastructure, entities such as the Investment Corporation of Dubai, the principal investment arm of the Government of Dubai, will continue to help Dubai transform into a fast-paced, forward-looking metropolis through strategic oversight and sweeping investments in a number of fundamental sectors such as Banking & Financial Services, Transportation, Oil & Gas, Industrial, Hospitality & Leisure, Real Estate & Construction and Retail.

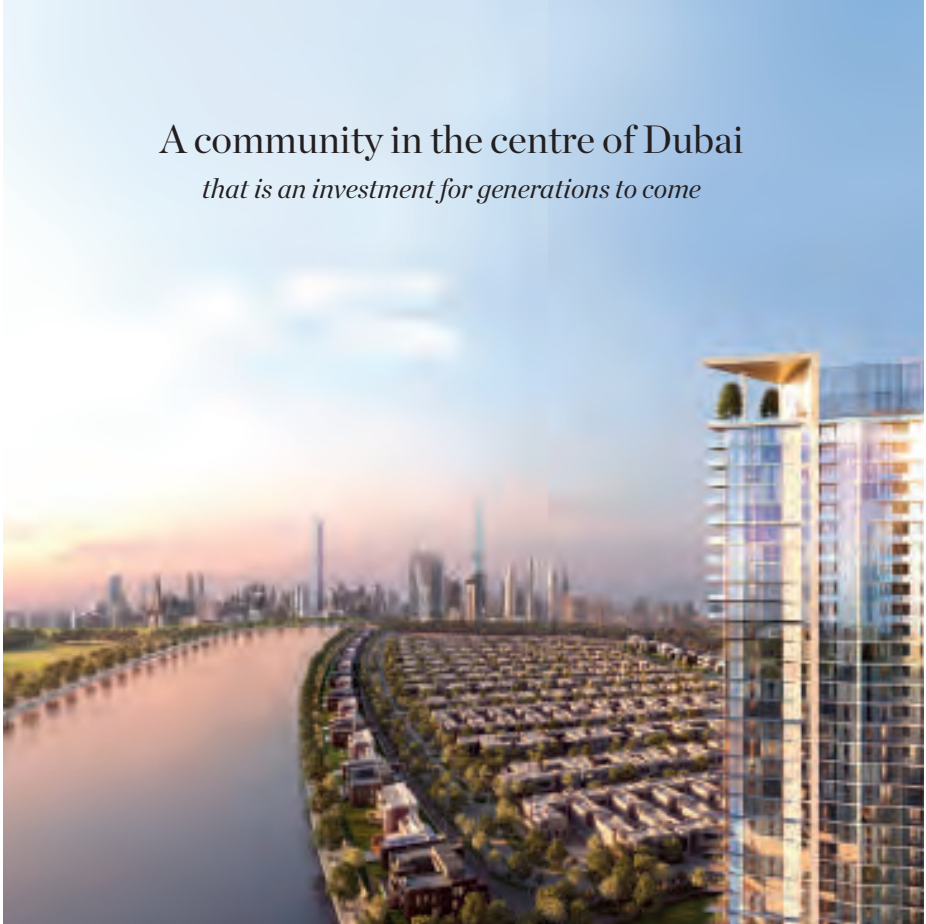
"Doing Business in Dubai" is a good guide to investing in Dubai and a chronicle of the many tools and opportunities available for global investors to plan for their future growth strategies.



# SOBHA HARTLAND

MBR CITY, DUBAI

A community in the centre of Dubai  
*that is an investment for generations to come*



Sobha Hartland is an 8MN sq.ft. freehold community with a vast array of residences that come with the hallmark of Sobha's Signature Quality and provide everything that you could ask for.



Diverse views  
of Dubai



30% green &  
open spaces

To schedule a private tour, call 800 999 999  
sobharealty.com | f @ in @sobharealty



Waterfront  
lifestyle



Incremental Returns  
on Investment

**His Excellency Sami Al Qamzi**

Director General, Dubai Economy

The Government of Dubai continues to strive to enhance the ease of doing business in the Emirate, and to deliver efficient government services. Our goal is to make Dubai a global centre of excellence in entrepreneurship and innovation.

The Dubai 2040 Urban Master Plan which was launched in March 2021, will further improve upon the already-existing world class infrastructure and amenities of the city, as well as develop new hubs and urban centres. The aim is to make Dubai “the best city for living in the world”, and the Emirate continues to foster an environment of exceptional talent and to further cement its position as a prime destination for investment through granting 10-year residency visas to international investors, skilled professionals and top-performing students and 100% foreign ownership of companies.

As the government entity mandated to develop business, entrepreneurship, investment and industrial and export activity in the Emirate, Dubai Economy plays a critical role in the on-going efforts to transform Dubai into a sustainable and smart city in line with the vision and directives of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and the Ruler of Dubai.

Our quest for a smart Dubai economy means leveraging innovations in information and communication technologies in order to create a globally competitive economy and digitally transform strategic economic sectors and pioneer new rules and procedures for doing business in the Emirate. It is within this context that Dubai Economy has introduced a number of innovative initiatives that simplify the investor journey in Dubai. For example, investors can now launch their business in Dubai within minutes, and do so without having to visit any service centre; they only need to visit our ‘Invest in Dubai’ platform. It is thanks to these and other initiatives that the Business Registration & Licensing (BRL) sector of Dubai Economy saw 15,475 new licenses being issued during the first quarter of 2021, a growth of 19% compared to the same period in 2020.

According to fDi Markets intelligence of the Financial Times, Dubai ranked among the top FDI destinations globally in 2020, and also continued to lead regional and global FDI locations. This was the case despite the effects of COVID-19, and it reflects the investors’ confidence in Dubai and their appreciation of the effectiveness of Dubai government’s response to the pandemic.

Kreston Menon is doing an outstanding service by publishing the ‘Doing Business in Dubai’ handbook, which should help investors in their journey, from starting their business in Dubai to expanding it and reaching global markets. With offices established in the UAE since 1994, and the experiences they have garnered throughout the years, Kreston Menon had carefully curated the content of the handbook. The entire content has also been reviewed by the BRL sector of Dubai Economy. I wish Kreston Menon continued success.



Helping clients  
**GROW**  
internationally

**170**  
Member Firms

**13<sup>th</sup>**  
World's Largest  
Accounting Network

**120+**  
Countries

**\$2.4B**  
Revenue



**650+**  
Offices

**22,000+**  
People



### **Raju Menon**

Chairman & Managing Partner  
Kreston Menon

His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and the Ruler of Dubai, and His Highness Sheikh Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, announced 2020 to be the year of preparation for the next 50 years. Themed “2020: Towards the next 50”, the year will witness the launch of the largest national strategy to prepare the UAE for the next 50 years and its Golden Jubilee celebrations in 2021.

Nothing can be more inspiring than the words of His Highness Sheikh Mohammed bin Rashid Al Maktoum, “Over the past 50 years, we started from the desert of our land to the desert of Mars. Our dreams will be even bigger for the next 50 years!”

The economic and political environments which are highly conducive for businesses to thrive, make the nation a favourable destination for enterprises across the spectrum – from large multinational conglomerates, small and medium businesses to fleet-footed, innovative startups.

The decisive economic measures and new amendments to the residency and investment legislations initiated by the leadership of UAE has stimulated the flow of foreign investments into the country.

Kreston Menon has always promoted FDI to the UAE and has guided and supported more than 8,000 investors to set up their operations in UAE, ranging from Public Sector Companies to large corporate houses to SMEs to individual investors.

As part of our constant endeavour to support businesses and investors to make the right decisions, we are launching the new edition of ‘Doing Business in Dubai’. The previous editions of Kreston Menon’s ‘Doing Business in Dubai’ were considered as one of the most authentic handbooks, recommended by the governmental agencies and free zones as one of their ‘must refer’ books for potential investors.

I express my sincere gratitude to His Highness Sheikh Ahmed bin Saeed Al Maktoum, President of Dubai Civil Aviation Authority, Chairman of Dubai Airports, Chairman and Chief Executive of Emirates Airline and Group for his patronage and support for this investor handbook.

I also take the opportunity to thank His Excellency Mohammed Ibrahim Al Shaibani, Director General of His Highness The Ruler’s Court – Dubai and Managing Director – Investment Corporation of Dubai and His Excellency Sami Al Qamzi, Director General of Dubai Economy for their immense support to Kreston Menon during the publication of this book.

I hope that this booklet, which will be circulated globally will be a source of needful information for entrepreneurs who are looking to set up their businesses in the mainland and free zones of Dubai.



I need to expand  
my business...

**sure**



**BUSINESS**

**Let's talk Business  
Finance solutions  
#yourbusinessmatters**

---

**Visit: [rakbank.ae/business](https://rakbank.ae/business) or  
sms "Business Finance" to 7011**

Conditions Apply



## INTRODUCTION



### **Khalid Al Shams**

Senior Partner and Group CEO  
Kreston Menon

As we celebrate UAE's 50 years, I gratefully recollect the contributions of the visionary leader The Late His Highness Sheikh Zayed bin Sultan Al Nahyan, who laid the foundations for this nation. Today, under the able leadership of His Highness Sheikh Khalifa bin Zayed Al Nahyan, President of the United Arab Emirates and the Ruler of the Emirate of Abu Dhabi and His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and the Ruler of Dubai and His Highness Sheikh Mohammed bin Zayed Al Nahyan Crown Prince of the Emirate of Abu Dhabi and Deputy Supreme Commander of the United Arab Emirates Armed Forces, the country's development is a model for other nations to follow.

'Projects of the 50', the momentous series of economic and social initiatives that have charted the nation's priorities for the next 50 years, fosters the established approach of UAE to build an attractive environment for foreign investment, with new regulations and incentives to attract investors, entrepreneurs, innovators and professional talents from around the world, which in turn will enhance career competencies and talents of the citizens and residents of UAE and ensure a brighter tomorrow for the next generation.

Strategically located between Europe, Asia and Africa, the UAE's position as a global intersection has enabled it to become one of the sought after economic hubs. Today, the UAE ranks 16th among 190 economies in the ease of doing business, according to the latest World Bank annual ratings, ahead of economic powerhouses like China, Germany, Japan, Italy and France.

I would like to thank His Highness Sheikh Ahmed bin Saeed Al Maktoum, President of Dubai Civil Aviation Authority, Chairman of Dubai Airports, Chairman and Chief Executive of Emirates Airline and Group, His Excellency Mohammed Ibrahim Al Shaibani, Director General of His Highness The Ruler's Court – Dubai and Managing Director – Investment Corporation of Dubai and His Excellency Sami Al Qamzi, Director General of Dubai Economy for their support and guidance to Kreston Menon during the publication of this book.

'Doing Business in Dubai' - the handbook for global investors is a result of an extensive research and compilation by the Incorporation team of Kreston Menon. I thank the heads of the government agencies and free zones for their support and contribution to this book. Kreston Menon hopes that this extensive investor guide will be instrumental in attracting more investments to the UAE.

# Contents

<b>Foreword</b>	<b>9</b>
<b>Message</b>	<b>11</b>
<b>Message</b>	<b>13</b>
<b>Preface</b>	<b>15</b>
<b>Introduction</b>	<b>17</b>
<b>UAE - A Brief Introduction</b>	<b>21</b>
UAE Centennial 2071	24
Projects of the 50	26
Make it in the Emirates	31
<b>SECTION – 1</b>	
Doing Business in Mainland	32
Dubai an Introduction	33
Economic Policy and Strategy	35
Dubai Economy- Department of Economic Development (DED)	37
Legal Structure for Investors	43
Entities for Specialised Activities	49
Activities Require External Approval	53
Segments eligible and restricted for 100% Foreign Ownership	55
Industrial Sector	57
Startup Support, Business Incubators and Accelerators	63
Real Estate	67
Customs Procedure	72
Visa & Entry Permit	76
Banking, Finance & Money Changing Activities	83
Financial Markets and Investment Advisory Activities	87
Legal and Judicial	89
Taxation (Excise Tax, Value Added Tax)	92

## SECTION – 2

Doing Business in Free Zones	94
Introduction of Free Zones in UAE	95
1. Jafza (Jebel Ali Free Zone)	96
2. Jafza Offshore Company	100
3. Dubai Airport Free Zone (DAFZA)	102
4. Dubai Silicon Oasis (DSO)	104
5. Dubai CommerCity	106
6. Dubai Multi Commodities Centre (DMCC)	108
7. Dubai Internet City	110
8. Dubai Media City	112
9. Dubai Knowledge Park	114
10. Dubai International Academic City	116
11. Dubai Studio City	118
12. Dubai Science Park	120
13. Dubai Outsource City	122
14. Dubai Production City	124
15. Dubai Design District	126
16. Dubai Healthcare City	128
17. Dubai Logistics City	130
18. Dubai Aviation City	132
19. Meydan Free Zone	134
20. Dubai World Trade Center Free Zone	136
21. International Humanitarian City	138
22. KIKLABB	140
23. Dubai Textile City	142
24. Gold & Diamond Park	144
25. Dubai Cars and Automotive City (Ducamz)	146
26. IFZA	148
DUBAI INTERNATIONAL FINANCIAL CENTRE (DIFC)	151
Nasdaq Dubai	160



## Open a CBD Rise Business account digitally **in minutes!**

Free Online banking platform. The first bank in the UAE to offer instant accounts for SMEs through CBD Rise in minutes, without the need to visit the branch.

- ✔ The best business accounts for new starter entrepreneurs and established SMEs
- ✔ Instant account opening\*
- ✔ Easy, fast and secure digital onboarding experience. No branch visits.
- ✔ Free business debit card, WPS services, trade finance, business loans and much more.

## 2 exclusive accounts to suit your business needs

### Starter

- Monthly Account Fee: AED 125
- Zero minimum balance
- Free business debit card and cheque book
- WPS payroll services



### Premium

- No monthly account fee
- Dedicated Relationship Manager
- Premium business debit card
- Preferential rates for transactional services including remittances and FX
- Trade Finance and Cash Management Services

Visit: [www.cbd.ae/cbdrise/#/landing](http://www.cbd.ae/cbdrise/#/landing)  
to apply, and for more information



# UNITED ARAB EMIRATES

## A Brief Introduction

The United Arab Emirates (the UAE) is a Federation of States at the Southeastern end of the Arabian Gulf. It is bordered by Saudi Arabia to the west and Oman to the north and south-east.

The UAE is a Federation of seven emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Quwain, Ras Al Khaimah and Fujairah.

Prior to its independence on 2nd December 1971, the UAE was collectively known as the Trucial States, derived from a 19th century truce

between local Sheikhs and the United Kingdom. Islam is the official religion. UAE is known for its religious tolerance.

Arabic is the official language, although English is widely spoken, followed by Hindi and Urdu.

As per the latest statistics, UAE possesses 97.8 billion barrels of oil reserve with a production of 3.9 million bopd and 5.9 tcm gas reserve with an average production of 64.7 bcm. The country ranks as the world's eighth-biggest oil producer.



### **Economic Facts**

UAE is accepted to have one of the most developed economies in the MENA region. The country has an open economy with a high per capita income and a sizable annual trade surplus. Successful efforts at economic diversification have reduced the portion of GDP from the oil and gas sector to 30%. Expected overall GDP growth would register USD 401.5 Billion in 2021.

### **Ease of Doing Business Ranking**

16th position – World Bank Report 2020; highest in the MENA region.  
World's 2nd safest country in 2021  
4th best country in the world to live and work

### **Location**

Middle East

### **Geographic Coordinates**

Between the latitudes of 220 and 260 30I North and longitude of 510 and 560 30I East.

### **Total Area**

83.6 thousand sq. kms (approximate)

### **Boundaries**

Oman 410 Kms; Saudi Arabia 457 Kms

### **Climate**

Desert; cooler in eastern mountains.



### Population

According to World Population Review, the estimated population at the beginning of the year 2020 is 11.4 million (comprises local population and expatriates from all over the world of which 90% comprises of immigrants).

### Government Type

Federation, with specific powers delegated to the UAE Federal Government, with other powers exercised by the Rulers of the various emirates. The Federal National Council has a defined legislative role.

### Capital

Abu Dhabi

### Legal System

Combination of Shari'a (Islamic Law) and Civil Legislative Law, Modified Personal Status Laws for Inheritance (Non-Muslims)

### Currency

The UAE Dirham (Arab Emirates Dirham -AED) pegged to US Dollar. One Dirham equals 100 fils.

### Major Trading Partners

India, China, USA, Germany, Japan, South Korea.

### Major Export Products

Crude Oil, Natural Gas, Re-Exports, Aluminium, Dried Fish, Dates.

### Major Import Products

Manufactured goods, Machinery, Foodstuffs, Transportation equipment.

### Taxation

No corporate, personal, or withholding taxation. Tourism taxes do apply.

### Value Added Tax (VAT):

Beginning of 2018 UAE introduced VAT at a uniform rate of 5%.

### Customs Duty

5% Import Duty (on general products).



# UAE Centennial 2071

The UAE Centennial 2071 project was launched by the Cabinet to make the UAE the best country in the world by 2071. By the year 2071, the UAE will be the world's leading nation. This will be achieved through the implementation of a series of bold initiatives across a variety of industries, mandated by the Rulers of the country.

## **Pillars of UAE Centennial 2071**

The UAE Centennial 2071 is based on four pillars as follows:

### **Future-focused government**

The objectives of the government under UAE Centennial 2071 include establishing the government of the UAE as the best government in the world, with a long-term vision and inspirational leadership that anticipates and prepares for the future.

Other objectives include achieving happiness in society and spreading positive messages internally and to the world and developing mechanisms for monitoring long-term variables in various sectors.

### **Excellent education**

Regarding education, UAE Centennial 2071 highlights the importance of excellent quality of education. Certain areas of focus in education include advanced science and technology, space science, engineering, innovation and health sciences. Other educational measures include teaching students mechanisms for discovering their individual talents early. On the institutional level, educational institutions are encouraged to be incubators of entrepreneurship, innovation and international research centres.



### A diversified knowledge economy

The UAE’s economy is aimed to be competitive and one of the best economies worldwide. This can be achieved by increasing productivity of national economy, support of national companies, investment in scientific research and promising sectors, focus on innovation, entrepreneurship and advanced industries, development of a national strategy to shape the future of the UAE’s economy and industry and place the UAE among international important economies. Knowledge economy can be achieved by a generation of UAE inventors and scientists and supporting them in technical sciences.

### A happy and cohesive society

Community development is an integral part of UAE Centennial 2071. Some objectives in this regard include establishing a secure, tolerant, cohesive and ethical society that embraces happiness and a positive lifestyle and a high quality of life. The pillar also focuses on developing programs to prepare future generations to serve as the UAE’s goodwill ambassadors, as well as promoting women’s participation in all sectors, making the UAE one of the best places to live in.





## PROJECTS OF THE 50

PROJECTS OF THE 50 is the new growth strategy of UAE of which 13 initiatives were already announced. These first set of bold strategic projects aims to foster the UAE's new phase of growth, both domestically and internationally and aiding the UAE to embark on an ambitious growth path in the 50 years since its Golden Jubilee. The first set of projects include new and amended visa schemes, comprehensive global campaigns to attract foreign investment, national initiatives to support emerging Emirati companies and boost the quality of national products, partnerships with major economies across the world and programs to support the applications of the Fourth Industrial Revolution in all sectors. All of these projects seek to establish the UAE as a global nation and a testbed for technologies and innovation.

**The first set of 'Projects of the 50' include:**

### **Modernisation of visa and work permits**

Among the package of new regulations is the introduction of the 'Green visa', which expands the self-residency status to investors, entrepreneurs, highly skilled individuals, top students and graduates, and the federal freelancers visa for self-employed workers based in the UAE and overseas in specialised fields such as Artificial Intelligence, Blockchain and digital currencies.

The new regulations also include expanding the 'Golden visa' eligibility to include managers, CEOs, specialists in science, engineering, health, education, business management and technology,

while the pathway has been smoothed for highly-skilled and highly-specialised residents, investors, entrepreneurs, scientists, pioneers, leading students and graduates.

**New visa schemes include:**

**Green visa**

A Green visa distinguishes between work permits and residencies, enables highly-skilled individuals, investors, entrepreneurs and top students and graduates to sponsor themselves. A Green visa will allow the sponsorship of young people until the age of 25 instead of 18, extending the grace period for leaving the country upon job loss or retirement to 90-180 days instead of 30 and the sponsorship of parents.

**Freelancers visa**

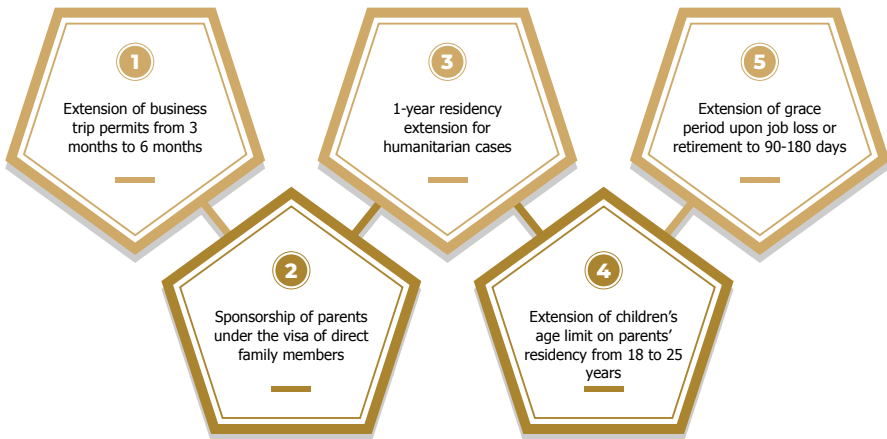
It is the first federal scheme of its kind and enables self-employed people to sponsor themselves.

**Other regulatory changes to visa rules**

**Economic agreements with eight global markets**

The UAE Government announced it will be undertaking comprehensive economic partnership agreements with eight key global markets. The agreements aim to achieve an AED 40 billion annual increase to the UAE’s current AED 257 billion trade volume with these markets. The agreements fall under the UAE’s global economic partnerships strategy, which aims to double the size of the national economy from AED 1.4 trillion to AED 3 trillion over the next 10 years.

The countries with which deals were signed are distinguished by large markets that constitute 10 percent of the world’s GDP, with an economic exchange among these countries worth USD 80 billion. Besides being home to 26 percent of the world’s population, the eight countries possess large markets with high demand for goods and services, in addition to strong trade and economic relations in their respective regions.





## **Digital initiatives:**

### **UAE Data Law**

The UAE Data Law is the first federal law to be drafted in partnership with major technology companies. The law will empower individuals to control how their personal data is used, stored and shared in a move that aims to protect the privacy of individuals and institutions and limit entities' use of personal data for profit.

### **100 Coders Every Day**

This programme aims to attract 3,000 coders every month to the country's workforce, increasing the number of coders from 64,000 to 100,000 in 12 months and to facilitate the establishment of programming companies in the UAE through a set of incentives and benefits.

### **PyCon Summit**

The UAE will host 'PyCon Summit', the largest programming summit to be held in the Middle East. The event, set to take place in the second half of 2022, will help develop digital talent and expertise, inspire innovative technology projects and connect a global community of programmers with the public and private sectors, as well as academic institutions.

The summit will bring together experts, leaders, talents, specialists and interests in the field from all over the world and hold workshops, panel discussions and training sessions to showcase the latest trends and developments in programming and the digital economy.

### **The Fourth Industrial Revolution Network**

As part of the 'Projects of the 50', the UAE Government launched the Fourth Industrial Revolution Network to promote the adoption of advanced technologies in

the national industrial sector. The project aims to establish and grow 500 national companies equipped with the technologies of the Fourth Industrial Revolution and technologically advanced workforce.

The network is designed to provide a platform that brings together 15 leading national companies in technology adoption to transfer knowledge, share best practices and train 100 CEOs in the industrial sector on the latest digital trends. Through the network, the Smart Industry Readiness Index will be developed to support the digital transformation of 200 industrial companies after evaluating the efficiency of digital operations.

### **Enhancing the competitiveness of the UAE business environment**

As part of 'Projects of the 50', the UAE Government launched three initiatives designed to strengthen the UAE's ability to keep pace with the ever-evolving global economy. They are as follows:

#### **10x10 Program**

The 10x10 program aims to achieve an annual increase in the country's exports by 10 percent in 10 key markets: China, the UK, the Netherlands, Italy, Russia, Poland, Luxembourg, Australia, New Zealand and Indonesia.

Through an integrated system of incentives and benefits, the project will work to achieve a 14 percent growth in cumulative foreign direct investment (FDI) outflow by 2030 and a growth of FDI directed to the targeted countries of 24 percent by 2030.

#### **Invest.ae**

A new electronic portal, Invest.ae, has

been launched to act as an umbrella for all investment-related local entities and 14 state economic entities and present all investment opportunities across the UAE. The portal provides comprehensive information on the local investment environment, as well as business and bank account set-up services. It highlights entrepreneurial success stories.

### **Emirates Investment Summit**

The UAE will host the Emirates Investment Summit, a global summit that will connect investment funds with the public and private sectors to create investment opportunities that will attract AED 550 billion in FDI over the next nine years. Scheduled to take place during the first quarter of 2022, the Summit seeks to build lasting partnerships between public and private sectors.

### **In-Country Value Program**

The National In-Country Value Program at a federal level, will facilitate the redirection of procurement and contract expenses to the local economy.

By 2025, the program aims to create a demand for local products and services by redirecting more than 42 percent of procurement of the federal government and major UAE companies to local products and services, gradually implementing the program through 45 federal entities and 15 major national companies and increasing local suppliers from 5,000 to 7,300.

It aims to contribute to advancing the economic and social development of the country by redirecting more than 50 percent of the spending of government agencies and national companies on purchases and services to the national economy by 2031. It will seek to raise the

procurement volume from AED 33 billion to AED 55 billion by 2025 and to provide competitive financing solutions to local suppliers.

### **Project 5Bn**

Project 5Bn will involve the allocation of AED 5 billion to support Emirati projects in priority sectors. The AED 5 billion is part of the Emirates Development Bank's April 2021 allocation of AED 30 billion to help accelerate industrial development, adopt advanced technology and support entrepreneurship and innovation by 2025 – all to support its wider mission of increasing productivity, enhancing the industrial sector's contribution to GDP and creating job opportunities for the UAE's citizens.

### **Tech Drive program**

The 'Tech Drive' program worth AED 5 billion will support the adoption of advanced technology in the industrial sector. Established in partnership with the Emirates Development Bank, the fund will support the industrial sector's shift towards the application of the Fourth Industrial Revolution over the next five years. It will also provide programmes and incentives to support entrepreneurs in the industrial sector, aiming to achieve a contribution of AED 25 billion to the GDP and raise productivity by 30 percent.



# MALABAR PROMISE



**MALABAR**  
GOLD & DIAMONDS



## COMPLETE TRANSPARENCY

Totally transparent and detailed invoice and price tag.



## TESTED & CERTIFIED DIAMONDS

Every diamond passes through 28 internal quality tests and is also certified by international labs.



## GUARANTEED BUYBACK

We offer the best buyback value for gold & diamond jewellery.



## ZERO-DEDUCTION GOLD EXCHANGE

We give you full value, without any deductions, when you exchange gold jewellery purchased from us.

**916**

## 916 HALLMARKED PURE GOLD

All our gold jewellery holds 916 hallmark certification, a guarantee of purity.



## ASSURED LIFETIME MAINTENANCE

We assure lifetime maintenance for jewellery from all our 260 showrooms across 10 countries.



## FAIR PRICE POLICY

Reasonable making charges for all jewellery which assures best value for purchase.



## RESPONSIBLY SOURCED PRODUCTS

Sourced in a responsible manner to protect the environment and stakeholders; for it to be truly auspicious.



## FAIR LABOUR PRACTICES

Fair wages, benefits and working conditions for karigars.

TOLL FREE - 800 MALABAR (6252227)

Shop 24/7 at [www.malabargoldanddiamonds.com](http://www.malabargoldanddiamonds.com)





اصنع في الإمارات  
**MAKE IT**  
IN THE EMIRATES



## MAKE IT IN THE EMIRATES

'Make it in the Emirates' is an open invitation to investors, innovators and developers to contribute to the UAE's industry and advanced technology strategy, 'Operation 300Bn'. It provides them with an opportunity to benefit from the UAE economy's tremendous and unique value proposition by investing in future industries and advanced manufacturing and exporting UAE products to new global markets. Through a partnership between Ministry of Industry and Advanced Technologies (MoIAT) and Emirates Development Bank

(EDB), industrial investors, innovators and entrepreneurs can receive significant financial and advisory support from EDB. The bank is the financial driver of Operation 300Bn and provides a wide variety of services to industrial players. Services include financing advanced technology and equipment, sponsoring machinery and equipment upgrades, especially those involving Fourth Industrial Revolution applications, as well as green finance, business expansion, structured financing and capital investment, feasibility studies and business incubators.



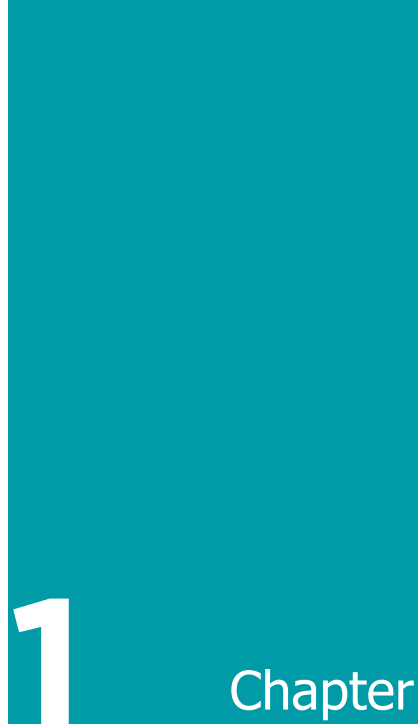
SECTION – 1

# Doing Business in Mainland



# Dubai an Introduction

The earliest mention of Dubai is in 1095, and the earliest settlement known as Dubai dates from 1799. Dubai was formally established in 1833 by H. H. Sheikh Maktoum bin Buti Al Maktoum and it remained under the control of Al Maktoums when the United Kingdom assumed the protection of Dubai in 1892. Its geographical location made it an important trading hub and by the beginning of the 20th century, it was an important port. In 1966, the year oil was discovered, Dubai and the emirate of Qatar set up a new monetary unit to replace the then Gulf Rupee. The oil economy led to a massive influx of foreign workers, quickly expanding the city by 300% and bringing in international oil interests. The modern emirate of Dubai was created after the UK left the area



in 1971. At this time Dubai, together with Abu Dhabi and four other emirates, formed the United Arab Emirates. The following year Ras Al Khaimah joined the federation while Qatar and Bahrain chose to remain independent nations. In 1973, the monetary union with Qatar was dissolved and the UAE Dirham was introduced throughout the UAE.

## **Choosing Dubai for Investment and business**

Dubai offers prospective and existing investors, all the advantages of a highly developed and sophisticated economy. Its infrastructure and services match the highest international standards, facilitating efficiency and quality.



## Choosing Dubai for Investment and business

### Vision – “Dubai to become a pivotal hub in the global economy”

Dubai’s success story as a world leader in enterprise and modernisation has earned the city great international distinction and made it an important business, trading and tourism hotspot. Dubai is a dynamic, business-friendly city with a great track record of executing major projects. Since the last few decades Dubai has become a fertile ground for flourishing business settlements. Leading projects are undertaken every year and are completed within the set limit. Dubai blends a luxury environment, tradition, culture, market and an attractive climate together. It is a large hub of multipurpose business centres and a prominent player in the global market. While businesses have vast and expanding growth opportunities in the UAE, Dubai has remained the leading commercial hub in the Middle East, largely on account of the following distinctive features:

- Dubai is better known as the commercial capital city of UAE
- Dubai population is now estimated to reach at 2.92 million in 2021
- Enjoys one of the highest per capita incomes in the world
- No foreign exchange control, quotas or trade barriers
- Competitive import duty (5%) with exemptions
- 5% VAT is applicable on goods and services with exemptions
- A global business focal point
- State policies permit full repatriation of profit and capital
- No income tax, no corporate tax and no withholding tax
- Vibrant and highly efficient economy
- Most modern infrastructure
- Presence of major multinational corporations
- Mixed population from all over the world
- Stable currency
- Proximity to the Indian Sub- continent and Europe
- It has one of the biggest airports in the world
- Home to the largest man-made port (Jebel Ali port) in the world

# Economic Policy and Strategy

## 2 Chapter

The economic policy of Dubai is based on safeguarding and respecting the individual freedom in ownership by means of production, practicing any type of business activities and providing all facilities. There are no restrictions on imports and exports except for some minor customs and administrative duties. The government plays a supervisory role in issuing legislation, which organize the functioning of various economic sectors while causing no hindrance to the business activities.

Dubai government has laid out a long-term economic vision based on various policies and strategies. The expectation is to create a long-term roadmap for economic progress for the Emirate through the establishment of a common framework aligning all policies and plans and fully engaging the private sector in their implementation.

### 7 Major Economic Sectors:



# a'awen



مبادرات محمد بن راشد آل مكتوم العالمية  
Mohammed Bin Rashid  
Al Maktoum Global Initiatives



مؤسسة الجليلا  
AL JALILA FOUNDATION



## Today's Gift. Tomorrow's Cure.

There is no greater gift than good health and Al Jalila Foundation A'awen patient treatment program alleviates the financial burden on patients and their families so that they can focus on healing. A'awen transforms lives and with the new online giving website you can now make a difference to the lives of patients from anywhere, at anytime. The donation process is quick, easy with no administration fees so you can be sure that every dirham you donate goes directly to help a patient in need. With your donation, you can help patients like Wed who received corrective surgery to walk, Melany who beat breast cancer and baby Salim who is thriving after open-heart surgery.

**Join Al Jalila Foundation to be part of our patients' *stories of hope*.**

Visit our website at [www.giving.aljalilafoundation.ae](http://www.giving.aljalilafoundation.ae)

+971 4 383 8000



AlJalilaUAE

# Dubai Economy - Department of Economic Development (DED)

## 3 Chapter

The Department of Economic Development is responsible for proposing the economic and commercial policy of Dubai and preparing the plans and programs required for implementing this policy.

The Department provides commercial licensing and trade name registration and conducts the necessary studies to encourage and promote the private sector.

DED fosters an environment for sustainable economic development to enhance the economic welfare and prosperity of Dubai and the UAE by developing and enhancing economic policy and regulations, providing efficient services to local and international

investors and businesses and identifying and supporting growth of key sectors.

DED aims to ensure consistent, relevant and timely customer communications and outreach efforts, to improve customer services across DED Group through automation, online offerings, streamlining processes and better customer care systems, to ensure high economic impact of key services such as attraction of foreign investment, promotion of entrepreneurship and SMEs.

### **Dubai FDI**

Dubai FDI, part of the Department of Economic Development in Dubai, provides essential information and invaluable support to foreign businesses looking to



invest in Dubai's thriving economy and take advantage of its global strategic importance.

Dubai FDI, an initiative of DED, is committed to positioning Dubai as the preferred investment destination globally by offering investors unparalleled opportunities and support services blended with best practices. Dubai FDI aims to reach potential investors through a network of global support units and partnership with local, federal and private investment promotion agencies.

Dubai FDI promotes investment opportunities in Dubai and support international investors to establish a presence here whilst taking advantage of Dubai's strategic location to access the MENASA region. Dubai FDI assists in the identification of sector specific opportunities, provide connections to a network of both government and non-government partners and provide support throughout the investment lifecycle from setup to growth. The FDI office has built a growing network of international investment promotion agencies and business facilitators to reach out to investors worldwide, enabling them to be part of the remarkable transformation in Dubai. Investments facilitated by Dubai FDI have also contributed substantially to bringing in game-changing innovations and enterprise diversity to Dubai. For example, Dubai FDI was instrumental in setting up the region's first Carbon Neutral warehouse and a facility to produce biofuels from used cooking oil. It has also worked with the global logistics major DHL to set up the 'DHL Service Point 24/7' in Dubai in 2011, the first such facility outside Europe.



### **Dubai SME**

Established in 2002, Dubai SME was created as an integrated division of the Department of Economic Development in Dubai. It was developed as a resource for support, information and outreach for the growing small and medium enterprise sector.

The DED agency mandated to develop the small and medium enterprise (SME) sector, offering various programs to inspire, mentor and support UAE entrepreneurs. Dubai SME's unique contribution to the economy is increasing the number of quality new businesses entering the market. Under its SME 5-year plan, Dubai SME has launched various initiatives to promote entrepreneurship and develop the sector. The agency is also focusing on encouraging and supporting UAE nationals to actively participate in the economic growth of Dubai, and facilitating the establishment of small & medium enterprises.

### **Dubai Events and Promotions Establishment (DEPE)**

DEPE, another DED initiative, is tasked with promoting Dubai as a year-round destination of events and retail promotions. The Establishment's vision is to be the driving force in promoting Dubai as a unique global shopping tourism destination. DEPE develops, promotes, facilitates and supports the retail and events sectors, ensuring year-round attractions and reasons to visit the emirate, its festivals, malls, souks and high streets. The major events DEPE currently organises include Dubai Shopping Festival, Dubai Summer Surprises, Eid in Dubai etc. The Dubai Calendar is one of the main initiatives of DEPE that aims to highlight Dubai's festivals, exhibitions, cultural and sport events for the entire year.

### **Dubai Exports**

Dubai Exports, the export promotion agency of the Department of Economic Development in Dubai, was created to ensure the success of the exports sector in Dubai and the UAE, providing constant guidance, advice and practical support to both buyers and suppliers.

As the official export promotion agency of the Dubai government, Dubai Exports' role is to support local exporters to develop and diversify their overseas operations. Dubai Exports creates an enabling environment for exports by providing value added services, marketing & communications and competitiveness of exporters.

Dubai Exports envisions being a world class model in supporting and facilitating exports by enhancing the competitiveness of Dubai as a preferred trading partner.

### **Dubai Competitiveness Office (DCO)**

Dubai Competitiveness Office was established under the umbrella of the Department of Economic Development in Dubai, to manage the Emirate competitiveness affairs through the coordination with local, federal, regional, and international bodies.

DCO will consolidate efforts to create best practices and boost performance in the public and private sectors, thus improving Dubai's ranking across global indices. DCO aims to enhance the competitiveness of UAE in general and Dubai in particular on the regional and international levels. The office will also develop and implement necessary strategies to upgrade the capabilities of Emiratis and strengthen Dubai's standing as an investment destination.

In addition to coordination of government efforts towards competitiveness in the local and federal levels, the Dubai Competitiveness Office will seek to spread awareness on the concept of competitiveness across all





service sectors and implement medium and long-term strategies to achieve its goals. DCO will also liaise with other government departments and institutions in the UAE as mandated by the Dubai Executive Council to develop an integrated mechanism in order to leverage Dubai's competitiveness.

### **Invest in Dubai (IID)**

The "Invest in Dubai" platform is a unified digital platform, the first of its kind to set up and conduct business in Dubai, giving investors the opportunity to get commercial licenses and start business within just a few minutes through a digital platform, government interconnection and technology to ensure the ease and smoothness of the investor's journey by building a modern working method for the platform that is compatible with the smart city style and provides a comprehensive package of detailed procedures and services for the investor.

### **Dubai Raffles**

Dubai Economy has announced the launch of 'Dubai Raffles', an innovative and integrated digital platform to manage raffle draws and other promotions including Scratch & Win campaigns, conducted in the Emirate. The platform, which complements the smart

transformation in the Emirate and the Dubai Paperless Strategy as well as the precautionary measures in place against COVID-19, has all the necessary tools and features that will allow draws to be supervised, managed and conducted electronically with no paper coupons or contact required. For businesses, especially retailers, the digital platform guarantees improved ease, efficiency and quality as they can conduct raffles round the clock without having to develop their own systems or printing paper coupons. Dubai Raffles notifies consumers on the number of coupons they are entitled to in each campaign and winners on their prizes. The platform also helps to save time and effort as all related details and procedures are automated on the platform, eliminating the need for a Dubai Economy inspector to be present at the location to monitor the raffle draws.

### **Other Initiatives of Dubai Economy and bodies in pursuit to Dubai's vision**

Blockchain – Unified Corporate Registry Platform.

Rashid – Initiative by Smart Dubai Government.

Happiness Lounge – a Prestigious and Distinct Services Environment that brings Happiness to the Business Community.

Dubai Economy Talks – a Sustainable





Knowledge Exchange Platform to discuss economic trends, indicators and updates. Dubai Consumer – terms and conditions of using consumer protection tent card in retail stores.

### **Supreme Legislation Committee (SLC)**

The Supreme Legislation Committee was established pursuant to Decree No. (23) of 2014 concerning the Supreme Legislation Committee in the Emirate of Dubai. The establishment of the SLC was in line with the strategic plan of the Government of Dubai. The SLC will regulate the issuing and review of legislation in the Emirate by adopting a clear and effective procedure and methodology, developing the legislative process, improving legislation quality and efficiency, building a legal system that would fulfill the aspirations and ambitions of the Emirate, and ensuring that legislative provisions are in compliance with the Constitution, and applicable to federal and local legislation.

### **The Executive Council**

The Executive Council is the main legislative government body in the Emirate of Dubai. Led by His Highness Sheikh Hamdan bin Mohammed bin Rashid, Crown Prince of Dubai, The Executive Council aims to positively impact Dubai's governance, trade and culture in a way that is sustainable and promotes ongoing growth. Translating the UAE leadership's vision into a reality, the Executive Council supervises and guides government policies and services so that they are underpinned by four main pillars: integrated government services; government excellence; strategies, policies and corporate governance; and integrated government communications. The Council establishes the infrastructure to incubate ideas via think tanks and create task forces to enable implementation and adoption based on public value. The Executive

Council's dynamism and its commitment to implement the UAE leadership's decrees drives the Council to improve government services; enhance decision making; and accelerate implementation.

### **Dubai Electronic Security Center (DESC)**

DESC was founded in 2014, pursuant to Dubai Law No. 11. The Center was established in line with the visionary objectives to ensure that Dubai becomes a leader in cyber security and the protection of information from external cyber threats. The Center reinforces the technological progress and smart transformation that has been adopted and engrained in the foundation of the emirate, by establishing Dubai as a global leader in innovation, safety and security. DESC implements the values of reliability, innovation and cooperation to achieve the goals set out by the Dubai Cyber Security Strategy. The strategy involves the implementation of five domains including maintaining a secure digital environment, preserving the flexibility and the free flow of information within cyberspace, ensuring the continuity of IT systems and promoting research and innovation in the field of cyber security.

### **Dubai Next**

Dubai Next is an initiative of Dubai SME, a digital crowdfunding catalyst for innovative enterprise in new and emerging sectors as well as a meeting point for innovators and the wider community to share the benefits of startup financing. The digital platform, launched in 2021 recently recorded success stories by concluding drives to raise capital for startups. This progressive step towards bringing the benefits of startup funding and digital technology to innovators, entrepreneurs, investors and the society, Dubai Next allows



entrepreneurs to create campaigns online and seek funds from contributors for turning their ideas into reality.

### **Community Development Authority (CDA)**

The Community Development Authority was established in the year 2008 pursuant to Dubai Strategic Plan which gives a special priority to the social sector and emphasizes on the government vision to increase people happiness and quality of life. CDA monitors all the services which contribute to Social Development in general, and to the care for and protection, empowerment and inclusion of the most vulnerable segments in particular. These services include raising awareness; counselling; providing shelter for non-health related purposes; day care; home care; social habilitation; protection from abuse, negligence, and exploitation; and offering financial benefits, whether monetary or in-kind.

### **Licensing and Permission activities under CDA**

(i) Civil Society Organizations: CDA regulates and provides licensing services to non-profit Civil Society Organizations and associations which organize ongoing social, cultural, artistic or entertainment activities.

(ii) Licensing of Social Professionals: Any professional who wishes to provide social care services within the Emirate of Dubai has to apply for this service and the professionals include Social Worker, Social Counselor, Social Therapist and Special Education.

(iii) Issuance of Event Permits: All social service providers who have license from Community Development Authority shall get Event Permits from CDA before

conducting any program, celebration or event as well as obtaining the needed approvals from concerned government entities.

(iv) Issuance of Social Care Facility Permit: Any service provider who is providing social care services in Dubai, including but not limited to senior citizens, those affected by family issues of disputes whether old or young, children who are temporarily or permanently deprived of family care, young ones vulnerable to delinquency or homelessness, people with drug issues, prisoners, people with low income and foundlings has to apply for this service.

### **Emirates International Accreditation Center (EIAC)**

EIAC is a governmental accreditation body that grants accreditation to Conformity Assessment Bodies worldwide which includes Testing, Calibration, Inspection, Certification of Management Systems, Persons, Products whilst adhering to international standards. EIAC was established pursuant to Law No (27) of 2015 and aims to enhance Dubai's position as the capital of the Islamic economy by gaining international recognition from leading regional and international recognised organizations, facilitating trade exchanges and strengthening the UAE's role in industry and trade. It also seeks to contribute towards environment, health and public safety protection, support the national economy and help raise the competitiveness of local economic organizations to international levels.

Accreditation Services: EIAC provides accreditation to Inspection Bodies, Testing and Calibration Labs, Certification Bodies, Healthcare Providers, Halal Conformity Assessment Bodies and Proficiency Testing Providers.

# Legal Structure for Investors

## 4 Chapter

International manufacturers and exporters may conduct business by concluding transactions directly with importers and traders who are already established in Dubai. This type of arrangement may be suitable for low-volume trade. However, for an ongoing business relationship, overseas companies may well want to consider a more permanent form of representation.

Trade practices in UAE are in line with normal international standards. As a sophisticated market, full technical specifications should be provided with CIF UAE prices and Middle East references. UAE is a member of WTO. Only importers who have appropriate trade license can undertake imports into UAE.

Before 1984, each Emirate in the UAE- Abu Dhabi, Dubai, Sharjah, Ajman, Ras Al Khaimah, Umm Al Quwain and Fujairah- followed its own procedures governing the operations of foreign business interests.

The Federal Law No. 8 of 1984 and its amendment by Federal Law No. 13 of 1988- the 'Commercial Companies Law and its by-laws have since been issued. This law was abrogated in the year 2015 and promulgated the Federal Law No. 2 of 2015 on Commercial Companies.

### **Federal Decree No. 26 of 2020 on Commercial Companies Law 2015**

The Decree No. 26 of 2020 is like a mini



review of the Federal Law No. 2 on Commercial Companies issued in the year 2015. This decree repeals and replaces as many as 51 existing articles of the Law. The most significant change with huge impact is revising of Article 10 of the Law No. 2 of 2015 that mandated minimum shareholding of 51% by UAE nationals. The newly replaced Article 10 does not refer to any minimum UAE national shareholding requirement and each Emirate was given the privilege of waiving the requirement of having UAE national equity holding or fix a minimum percentage as they may consider.

The principal law provides that commercial companies established in the UAE must take any of the following legal forms:

#### **Joint Liability Company**

A Joint Liability Company is a company which consists of two or more partners who are natural persons, to be jointly responsible in all their monies for the obligations of the company. A joint partner shall have the capacity of a trader. Such partner shall be deemed to conduct the commercial activities in person in the name of the company. The declaration of the bankruptcy of a Joint Liability Company means the declaration of bankruptcy of all the partners by the power of the Law. The name of a Joint Liability Company shall consist of the name (s) of one or more partners in addition to the expression “and partners” or any similar meaning, provided that the name of the company shall end with the expression “Joint Liability Company”. In addition, the company shall have its own trade name, provided that the name of the company shall be accompanied by such trade name. If the name of a Joint Liability Company contains the name

of a person other than a partner in the company and that person is aware of this, that person shall be jointly responsible for the company’s obligations against any person that deals with such company in good faith.

#### **Simple Commandite Company**

A Simple Commandite Company is a company which consists of one or more joint partners liable, severally and jointly, for the obligations of the company and having the capacity of traders and one or more silent partners not liable for the obligations of the company other than to the extent of their respective shares in the capital. Silent Partners shall not have the capacity of a trader. Any natural person or corporate person may be a Silent Partner in the Simple Commandite Company. The name of a Simple Commandite Company shall consist of the name of one or more of the joint partners with the addition of such indication of the legal form of the company. In addition to the aforementioned, the company may have its own trade name. The name of a Silent Partner may not be included in the name of the company. If such name is added with his consent, the Silent Partner shall be deemed as a Joint Partner to bonafide third parties.

#### **Limited Liability Company**

Limited Liability Company (LLC) is the most common form of business in Dubai/UAE. A Limited Liability Company is a company where the number of partners is at least two (2) but shall not exceed (50). A partner shall be liable only to the extent of its share in the capital. The holder of the capital of the company shall not be liable for the obligations of the company other than to the extent of the capital as set out in its Memorandum of Association. The provisions of the Limited Liability

Company contained in the Law shall apply to such person to the extent not in conflict with the nature of the company. A Limited Liability Company shall have a name derived from its objective or from the name (s) of one or more partners, provided that name of the company shall be followed by the expression “Limited Liability Company” or in short LLC. The company shall have enough capital to achieve the purpose of its incorporation and the capital shall consist of shares equal in value. Shares may be in cash and/or in kind and shall be paid in full at the time of incorporation. The shares in cash shall be deposited in a bank operating in Dubai/UAE. The bank may not pay such shares other than to the Managers of the company after providing such evidence that the company has been registered with the competent authority and as provided by the contract appointing such Managers. However, as an accepted practice the registration authorities do not insist the promoters to evidence the capital contribution either in cash or in kind to release the commercial license.

#### **Limited Liability Company – Single Owner (LLC-SO)**

Notwithstanding the minimum number of shareholders as two set forth in the Law, a single natural or corporate person may incorporate and hold a Limited Liability Company. The holder of the capital of the company shall not be liable for the obligations of the company other than to the extent of the capital as set out in its Memorandum of Association. The provisions of the Limited Liability Company contained in this Law shall apply to such person to the extent not in conflict with the nature of the company.

#### **Public Joint Stock Company (PJSC)**

Public Joint Stock Company is a company

with a capital divided into equal negotiable shares.

- In PJSC, a shareholder’s liability is limited by the number of shares held by him.
- Minimum capital required to form a Public Joint Stock Company is AED 30 million with a nominal face value of AED 1 - 100.
- A PJSC must have at least 5 founder members.
- The management should be vested with a board of directors consisting of a minimum of 3 to a maximum of 11 members whose term of office may not exceed three gregorian calendar years.
- Up to 70% shares of a PJSC may be offered to the public in an IPO and may exceed this percentage subject to the approval of Securities and Commodities Authority.
- Among the other requirements for the establishment of a public joint stock company is the preparation of a founders’ agreement, a prospectus or invitation for public subscription supported by an overall business plan or feasibility study and an auditor’s





certificate, a due diligence survey, a Memorandum and Articles of Association.

- The Law stipulates that the companies engaged in banking, insurance or financial activities should be run as public shareholding companies.

### Private Joint Stock Companies (Pr. JSC)

A Private Joint Stock Company is a company where the number of shareholders is at least 1, and no maximum.

- The capital of the company shall be divided into shares of the same nominal value, to be paid in full.
- It is not permitted to offer the shares for public subscription.
- A shareholder shall be liable only to the extent of his share in the capital of the company.
- The issued capital of the company shall not be less than AED 5,000,000 (AED five million) and shall be paid in full.
- The founders shall choose from among them a committee consisting of at least 2 members to complete the incorporation procedures and to register the company with the relevant authorities.

- The Founders Committee shall be fully liable for the accuracy, validity and completion of all the documents, studies and reports provided to the relevant authorities in connection with the incorporation, licensing and registration process of the company. In the case of a sole proprietorship, the founder shall act as the committee.

Notwithstanding the minimum limit of the number of shareholders as 2 set forth in the Law, a single legal person may incorporate and hold a Private Joint Stock Company. The holder of the company's capital shall only be liable for its obligations to the extent of the capital as set out in its Memorandum of Association. The name of the company shall be followed by the expression "Sole Proprietorship- Private Joint Stock". The provisions of the Private Joint Stock Company as set forth in the Law shall apply to such person to the extent not in conflict with the nature of such company.

### Branch Office of Foreign Companies

Article 327 of the Companies Law allows a foreign company to exercise its main activity in the UAE by opening a branch office. A foreign company which opens a branch in the UAE may exercise freely the

### Foreign Company Branches are licensed to engage:



01

All types of consulting and professional activities



02

Sophisticated engineering activities



03

Software and IT related activities



04

Sophisticated and specialized construction activities

activities for which it is licensed. Article 330 of the Law states that no foreign company shall conduct its activity in the UAE unless entered in the Foreign Companies Register with the Ministry of Economy and has obtained the required approvals and licenses from relevant emirate where it operates.

### **Representative Office of Foreign Companies**

Article 332 of the Companies Law permits a foreign company to establish its representative office whose object is limited to market and production capabilities study without performance of any commercial activity in the UAE. The difference between a foreign company branch and a representative office is that the former may exercise freely the activities for which it is licensed whereas a representative office may practice only promotional activities for the products and services provided by the parent company. Unlike a foreign branch, a representative office cannot conduct business operation or sell its product in Dubai/UAE.

### **Professional Companies [Civil Companies]**

Foreign investors, who are qualified, can set up a partnership firm to practice a professional activity as per the UAE Civil Code and as per the Dubai Law No. 13 of 2011 regulating the conduct of economic activities. The firm shall be regarded as a professional company which practices a profession. On this premise, the professional companies are set up between professionals or partisans to carry out non-commercial activities. The firms registered as professional entities may only practice the specific professional activity and not any commercial activity. Such professional activities include rendering management consultancy,

marketing consultancy, consulting on various other fields, organizing and keeping accounting records or similar activities approved by Dubai Economy from time to time. However, it is mandatory for such entities to appoint a UAE national as the Service Agent. It is also permitted to practice such profession as a sole proprietorship entity fully owned by a foreign investor with a Service Agent.

### **Establishments by GCC Citizens/ Corporates**

The citizens of Saudi Arabia, Sultanate of Oman, Kuwait, Qatar and Bahrain are permitted to set up an entity in UAE. It is conditional as per the Federal Law No. 2 of 1989 concerning permitting the GCC citizen/ corporate entity to conduct a business operation in UAE wherein the investor should be a natural person residing in UAE or in the case of the corporate entity, the appointed manager should be residing in UAE. It is also permitted for such entity to open its branch in UAE.





START-UP  
RELOCATE  
GROW

## YOUR ALL IN ONE INTERNATIONAL BUSINESS BASE

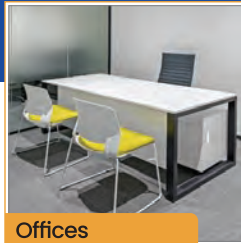
### Available Facilities



Industrial Land



Warehouses



Offices



Labour Accomodation

### THE BENEFITS

- 0% corporate and personal tax
- 100% company ownership
- 100% import and export tax exemption within the Free Zone
- Simple and fast registration process with excellent customer support
- Strategic location with access to over two billion consumers
- Close to two international airports and major sea ports
- Modern and investor-friendly rules and regulations



# Entities for Specialised Activities

Though Dubai Economy regulates, controls and issues commercial, professional and industrial licenses to each entity operating in Dubai, there are certain activities that require prior approval or subsequent permits from other departments/authorities to enable the investor to operate in the emirate.

## **Travel and Tourism Activities – Department of Tourism & Commerce Marketing (DTCM)**

DTCM is empowered to issue relevant legislations and instructions to govern tourism industry in Dubai. DTCM is responsible for issuance of permits for hosting events, opening a hotel and its classification, tour boats, desert camps, entertainment activities, parties and shows with or without tickets, etc. The



companies which are licensed by DED, however, engaging activities like conducting events, conferences, exhibition, forum, networking, product launch, seminar, summits, etc. must apply for permission from DTCM.

## **Healthcare Activities – Dubai Health Authority (DHA)**

DHA came into existence in 2007 to oversee Dubai's complete health care sector and enhance a dynamic, efficient and innovative private sector engagement in this field. DHA issues permission for all health care facilities such as setting up hospital, medical clinics, and specialist clinics and licensing health care professionals. The companies and professionals must adhere to various regulations, procedures and codes of



practice in order to get the permission and practicing license. Upon successful completion of the required formalities with the DHA and receipt of Initial Approval the investor shall proceed for completing the registration of the legal entity and obtain the final license from DED.

**Architectural & Engineering Consultancy – Dubai Municipality**

Engineering firms operating in Dubai shall adopt one of the following forms:

- Local Engineering Firm
- Branch of a Foreign Firm

**Local Engineering Firm – Requirements**

- Partner/s must be a UAE national. Partners must hold university degree in engineering from a recognized university.
- Proven experience in the specialization field not less than three years after qualifying.
- Membership in the Engineers’ Association of the Country.
- Shall neither own contracting companies nor building materials trading companies.

**Expatriate investor may, pursuant to the following stipulations and conditions provided for, apply for registration in the register of practicing engineers:**

- Exclusively dedicated to the business of the Engineering Firm.
- Proven experience in the engineering field not less than 5 years after obtaining the university degree.
- Expatriate engineer must reside in UAE not less than 9 months in a year.
- One or more expatriates may join the firm provided they are entered in the Register of Practicing Engineers and the maximum shareholding in the capital allowed shall not exceed 49%.



**Branch of a Foreign Firm**

Foreign Engineering Firm’s Branch Office is defined as “the branch established in the Emirate by one of the foreign specialized engineering firms”. Licensing of the same shall be limited to the fields of sophisticated specialization not commonly provided by local engineering firms.

**Conditions for granting license:**

The foreign engineering branch office should be with high technical qualifications and specialized in one or more of the sophisticated engineering field and existing in the native country for a period of not less than fifteen years.

The management of the firm should be vested in a manager in charge, entered in the register of the practitioners of the engineering consultancy profession, whose experience in the practice of the profession is not less than 15 years. A registered local engineer may also be assigned for the management of the firm, provided that he is totally devoted to the business of such a firm.

<b>Number of years of Experience</b>		
	UAE national (not less than)	Expatriate (not less than)
Category I	10	15
Category II	5	10
Category III	3	5

The head office of the firm in the mother country must have carried out a number of projects [10 or more] of large technical and financial value. When submitting the application for the license, a full statement of such projects shall be attached with supporting drawings and documents, including confirmation from the clients.

The foreign engineering branch office in the Emirate should have devoted technical staff of high qualifications as follows:

Each of the licensed fields of activity to be practiced should be led by an engineer whose experience is not less than 15 years in sophisticated specialization and it is permissible to appoint one of the specialization heads as a resident office general manager.

The specialization head should be assisted by several assistant engineers whose experience is not less than 7 years and that their number should be consistent with the volume of the current works assigned to the firm.



### **Customs Broking, Sea Cargo, Air Cargo, Freight Forwarding, Logistics – Dubai Customs, Dubai Maritime City, Dubai Civil Aviation**

Companies providing sea cargo and logistics services must obtain prior approval from Dubai Maritime City. Similarly, if the company wants to engage in air cargo, activity must be approved by Dubai Civil Aviation Authority (cargo section). Also, in order to assist importers and exporters for clearing the goods at the ports, the company must obtain customs broking permit from Dubai Customs Department. It is a pre-requisite to provide a bank guarantee of AED 50,000 to the customs department for obtaining customs broker permit.

Upon obtaining the approvals from Dubai Maritime City, Dubai Civil Aviation Authority and Dubai Customs Department, the investor shall proceed for completing registration process and obtaining the license from DED.

### **Educational Services - Knowledge and Human Development Authority (KHDA)**

KHDA established in 2006 is a Dubai government authority that oversees public and private education in Dubai. The KHDA aims to develop both the education and human resource sectors in Dubai. KHDA is responsible for the growth, direction and quality of private education and learning in Dubai. Licensing of all educational institutes in Dubai (including those located in free zones in Dubai) is governed by the KHDA. The regulatory arm of KHDA, Compliance and Resolution Commission (CRC) monitors all educational service providers, including private schools, training institutes, early learning centers and private universities located in Dubai.



### Entities formed in Dubai World Communities (Trakhees)

Trakhees was established by the Ports, Customs and Free Zone Corporation (PCFC) with the aim of integrating licensing and compliance functions for the entities within Dubai World Communities, such as Nakheel, Limitless and Istithmar. The Commercial Licensing Department (CLD) of Trakhees is responsible for licensing of such entities and to integrate government services to the clients who wish to establish within Dubai World Communities. CLD has established strategic alliances with Dubai's government authorities to strengthen its position as a new governmental regulatory authority having agreements with DED, DNRD, Free Zone Authority, DTCM, DHA, etc.

### Type of Licenses provided by Trakhees CLD:

Licenses as per Dubai Laws (local laws)  
Licenses as per Free Zone Laws

### Licenses as per Dubai Laws (local laws)

A proposed entity in Dubai World Communities may adopt any of the legal structures prescribed by the Commercial Companies Law and with due compliance to the procedures adopted by the Dubai Economy for licensing such entities.

### Licenses as per Free Zone Laws

An investor(s) may set up a Free Zone Establishment, Free Zone Company or Branch of a Foreign Company in Dubai World Communities subject to the prevailing rules and regulations of Economic Zones World applicable to that community.

### Security and Safety related activities - Security Industry Regulatory Agency (SIRA)

The Security Industry Regulatory Agency (SIRA) was established in 2016. SIRA seeks to provide Dubai with the highest levels of safety and security through the implementation of international best practices in security systems, services and guards.

### Services for Business



# Activities Require External Approval

## 6 Chapter

License to practice majority of the activities are directly issued by the Dubai Economy. However, certain activities require prior approval from the relevant Ministry/Department such as:





Financial institutions, banks, money exchanges	Central Bank of UAE
National industrial license	Ministry of Industry and Advance Technology Ministry of Economy
Publishing, printing, newspaper, advertising, video film, photography	National Media Council
Tourism - permits	Department of Tourism and Commerce Marketing
Health care	Dubai Health Authority
Agriculture, veterinary, environmental consultants	Ministry of Climate Change and Environment
Customs broking, freight forwarding, sea cargo	Department of Ports and Customs, Dubai Maritime City Authority
Air Cargo, Travel agent with ticketing activity	Department of Civil Aviation
Construction companies, restaurants, clinics, engineering firms	Dubai Municipality
Activities in Telecommunication sector	Telecommunications and Digital Government Regulatory Authority (TDRA)
Registration of boats, yachts, ships	Dubai Maritime City Authority, Federal Transport Authority
Branch of foreign company/Representative office	Ministry of Economy
Insurance Company, Insurance Agents	Central Bank
Financial Consultation, Share broking, Investment advisory	Securities and Commodities Authority
Manpower Supply/Recruitment	Ministry of Human Resources & Emiratisation
Land Transport	Federal Transport Authority- Land & Maritime
Lawyers License	The Rulers Office
Auditing	Ministry of Economy - Auditors Sector
Social Service Providers	Community Development Authority

# Segments eligible and restricted for 100% Foreign Ownership

## 7 Chapter

By virtue of revising Article 10 of the Commercial Companies Law 2015, Dubai Economy implemented the following segments eligible for 100% foreign ownership:

Activity Type	No. of Segments
Commercial (including trading, hotels, retail, shipping and freight forwarding, Contracting etc.)	562
Manufacturing	500
	<b>1062</b>

Following segments of activities are not offered for 100% foreign ownership, however, Dubai Economy may decide enhanced foreign equity participation of an entity on a case to case basis.

Communication	<ul style="list-style-type: none"> <li>• Wired Telecommunications Services</li> <li>• Wireless Telecommunications Services</li> <li>• Satellite Communications Services</li> <li>• Cable Television Channel</li> <li>• TV Broadcasting Station</li> <li>• Cable TV Satellite Channels Establishing &amp; Managing</li> <li>• Operating &amp; Maintaining Switching &amp; Transmission Facilities</li> <li>• Cable Distribution &amp; Data &amp; Television Signals Operation</li> <li>• Radio Broadcasting Station</li> <li>• Rebroadcasting of International TV Network Programs Services</li> <li>• Satellite Ground Station</li> <li>• Television &amp; Radio Broadcasting Via Encrypted &amp; Open Channels</li> </ul>
---------------	--



Banking Exchange Finance Insurance	<ul style="list-style-type: none"> <li>• Commercial Bank</li> <li>• Islamic Bank</li> <li>• Credit &amp; Finance Bank</li> <li>• Investment Bank</li> <li>• Savings Bank</li> <li>• Wholesale Bank</li> <li>• Digital Wallet for Electronic Payments</li> <li>• Remittance of Local &amp; Foreign Currencies</li> <li>• Financing Operations</li> <li>• Bank Brokers</li> <li>• Financial Instruments Bidding</li> <li>• Money Orders &amp; Travellers Cheques Exchangers</li> <li>• Real Estate Financing</li> <li>• Industrial Financing</li> <li>• Agricultural Financing</li> <li>• Consumer Loans or Consumer Credit</li> <li>• e-Finance</li> <li>• e-Banking</li> <li>• Financial Investigations Services</li> <li>• Life Insurance</li> <li>• Accidents &amp; Civil Liabilities Insurance</li> <li>• Credit &amp; Saving Insurance</li> <li>• Fire Insurance</li> <li>• Motor, Marine, Aviation &amp; Transport Insurance</li> <li>• Other types of insurance</li> <li>• Health Insurance</li> <li>• Reinsurance</li> <li>• Insurance Agent</li> <li>• Insurance Actuaries</li> <li>• Reinsurance</li> <li>• Insurance Broker</li> <li>• Theft Insurance</li> <li>• Work Compensation Insurance</li> <li>• Mechanical Failure Insurance</li> <li>• Life Reinsurance</li> <li>• Currencies &amp; Monetary Brokers</li> <li>• Money Exchangers</li> </ul>
Hajj and Umrah services	Hajj & Umra Organizing
Commercial Agencies	Commercial Agent Services
Holy Quran Recitation Institute	
Money Printing	<ul style="list-style-type: none"> <li>• Cheques &amp; Other Security Papers Printing</li> <li>• Banknotes Printing</li> </ul>
Fisheries related services	<ul style="list-style-type: none"> <li>• Fish Catching</li> <li>• Marine Animals Catching</li> <li>• Natural Pearl Catching</li> </ul>



# Industrial Sector

Dubai Industrial sector mainly comprises manufacturing, constructions, electricity, water and gas, mining, and quarrying. It contributes to economic and social development of the emirate and caters other segments to grow. It is collectively the second largest economic sector of Dubai's economy.

## **Dubai Industrial Strategy 2030**

In June 2016, the Dubai government launched Dubai Industrial Strategy 2030 to create economic stimulus and growth in its industry sector.

Dubai Industrial Strategy is based on five key objectives that will serve as the foundation for Dubai's industrial future. The Strategy aims to increase the total output and value-addition of the



manufacturing sector, enhance the depth of knowledge and innovation, make Dubai a preferred manufacturing platform for global businesses, promote environmentally friendly and energy-efficient manufacturing and make Dubai a centre for the global Islamic products market.

The strategy has further identified six priority sub-sectors: Aerospace, Maritime, Aluminum and Fabricated Metals, Pharmaceuticals and Medical Equipment, Food and Beverages, Machinery and Equipment. These sub-sectors were chosen based on their importance to the Dubai Industrial Strategy and Dubai Plan 2021, as well as their future growth prospects, export potential and mid-term to long-term economic impact.



Dubai Industrial Strategy has identified 75 initiatives to transform Dubai into a global platform for industries based on knowledge, innovation and sustainability. The strategy is projected to help generate an additional AED 160 bn by 2030.

### National Industrial License

Industrial projects may apply for a national industrial license provided following conditions are met:

- 1 Minimum paid up capital AED 250,000 
- 2 Minimum workforce more than 10 nos. 
- 3 Minimum 40% local value addition 
- 4 Visible transformation of raw material into finished products 
- 5 Substantial use of machines and technology in the process 



### Benefits of national industrial license

- Duty exemption to import raw materials and machines.
- Privilege to use “Made in UAE” mark on final product.
- Duty exemption to export products to GCC countries.
- Duty exemption to export products to member countries of Great Arab Free Trade Agreement.

### Dubai Investments Park (DIP)

A subsidiary of Dubai Investments PJSC, DIP is divided into three distinct zones- each setting the benchmark for high quality projects in a well-planned, fully-integrated master community development. It is well connected to Dubai’s key business districts and can be accessed from both Sheikh Zayed Road and Emirates Road. As a premier residential and business destination, DIP redefines the concept of living and work, making it one-of-a-kind development in Dubai.

Location	Dubai	<ul style="list-style-type: none"> <li>Divided into three zones- Residential, Commercial and Industrial. Dubai Investments Park is the most thoughtfully conceived self-sustained development where each zone complements the other to offer a complete solution in terms of manufacturing, housing, trade, research, development, healthcare, education, distribution and logistics. Dubai Investments Park is a mixed-use development, which has a strong focus on the industrial sector as well as residential and commercial development.</li> <li>Land in DIP is allocated on lease hold basis. Tenants may lease the facility constructed on the land to third party within the land lease period agreed with DIP.</li> <li>Rental of facilities varies according to size and structure</li> </ul>
Operation since	2000	
Owned by	Dubai Investments PJSC	
Regulations	Provisions of Federal Law No. 2 of 2015 as amended by Federal Decree No. 26 of 2020 on Commercial Companies are applicable	
Segments	Manufacturing, Assembly, Warehousing	
Type of Legal Entities	Legal structure as per the Commercial Companies Law	
Minimum Capital	Companies are permitted to fix the minimum capital, as per the requirement, however, minimum AED 250,000 is mandatory for National Industrial License.	
No. of Shareholders	As per the legal structure adopted	
Shareholding Structure	Natural Person(s) and/or Corporate(s)	
Activities permitted	Light and Medium Industries, High Tech Industries, Warehousing, Healthcare, Showrooms, Commercial and Retail.	
Facilities Offered	Commercial Office Spaces, showrooms/ Warehouses/ Light Industrial Units/ residential units/staff and labour accommodation, schools, hospitals.	
Size of Facilities	Land: Different size of plots Warehouses: 200 sq m and above Office Space and showrooms: Different sizes	
Lease Period	30 years	
Average Rental (per sq foot per year)	Ready Offices : Fitted AED 55 to 65 Shell and core AED 35 - 45 Ready built Warehouses and LIU: AED 25 to 28 Buying at AED 250 - 300	
Fees	As per the relevant local authorities' rules and regulations	
Visa facility	As per Ministry of Human Resources & Emiratisation and GDRFA rules and regulations	



## Dubai Industrial City (DI)

Dubai Industrial City is an industrial cluster designed to attract and support the growth of light to medium industries. It also offers the largest logistics operations in one location within the UAE. DI provides excellent connectivity by road, air and sea to all major markets in the Middle East and North Africa and the Indian Subcontinent.

Location	Dubai	<ul style="list-style-type: none"> <li>Warehouses in DI are designed for cold, chemical and general storage, as well as for light industrial use. DI has 7 million sq f of warehouses that come in two units: 5,000 and 10,000 sq f. Plots of Land are allotted for: Industrial Land is available from 25,000 sq m for long term lease with stable supply of utilities. Commercial Offices: Plot with GFA varies from 8,200 sq m to 200,000 sq m are available.</li> <li>Residential: The accommodations are built to house both skilled and un-skilled workers. Taasees at DI is a one-stop shop to address all government related issues including licensing, registration, permits and visas. In addition, the DI Permits Department assists companies with their proposals for construction of industrial facilities and commercial developments, a single window approach to expedite developments. The Permits Department reviews the architectural designs, permit requests, construction plans and infrastructure requirements for adherence to local and statutory requirements.</li> <li>Rental of facilities varies according to quality and structure</li> </ul>
Operation since	2004	
Legislation	Law No. 1 of 2000	
Owned by	TECOM Investments	
Regulations	Provisions of Federal Law No. 2 of 2015 as amended by Federal Decree No 26 of 2020 on Commercial Companies are applicable.	
Segments	DI features six distinct industrial zones: Food and Beverage, Chemicals, Minerals, Machinery and Equipments, Base Metals and Transport.	
Type of Legal Entities	Limited Liability Company (LLC)	
Minimum Capital	Companies are permitted to fix the minimum capital, as per the requirement, however, minimum AED 250,000 is mandatory for National Industrial License.	
No. of Shareholders	As per the legal structure adopted	
Shareholding Structure	Natural Person(s) and/or Corporate(s)	
Facilities Offered	Industrial and Commercial Land, Warehouses, Labour Accommodation, Office Space, Open Storage Yards.	
Size of Facilities	Land: 25,000 sq m and above Warehouses: 500 sq m and above Office Space: Different sizes.	
Lease Term	Up to 49 years	
Rental (per sq meter)	Land: AED 25 Warehouses: AED 170 Office Space: AED 850 Labour Village: AED 330 per bed per month inclusive of utilities	
Fees	As per Dubai Economy, Ministry of Industry and Advance Technology, Ministry of Economy	
Visa facility	As per Ministry of Human Resources & Emiratisation and GDRFA rules and regulations	

**National Industries Park (NIP)**

National Industries Park formerly known as Dubai Techno Park was formed by the Law No. 4 of 2003 as a fully owned subsidiary of Economic Zones World which was subsequently amended as per the law No. 3 of 2016 to rename it as NIP. It covers an area of 21 million sq m of land and is considered as the only technology park in the region located between a world-class seaport and an international airport. The main aim of NIP is to attract major manufacturing and industrial companies to set up their industrial units in Dubai and be able to penetrate the UAE and GCC market.

**Juridical status of NIP**

Sometimes NIP is assumed only as a free zone which is not the case always. Entities established in NIP are treated as if established in the mainland of Dubai, i.e. such entities are able to sell and distribute their products locally without payment of the custom duty applied in case of setting up a company in the Free Zone. There is the added advantage that a foreign company can register a branch to carry on



industrial activities in its manufacturing unit.

Thus, by registering a branch of a foreign company in the NIP, even a foreign company will enjoy 100% ownership and access to UAE market, provided it complies with other mandatory regulations such as registration with the Ministry of Economy, etc. NIP provides a full range of administration services such as issuing residence visas for employees and so on.



Limited Liability Company

1

Sole Establishment

2

Civil Company

3

Branch may be set up by the following:

4

- Branch of Free Zone Establishment (FZE)
- Branch of Free Zone Company (FZCO)
- Branch of LLC registered in other Emirates
- Branch of GCC Company
- Branch of Foreign Company



+971 4 5542733

AJMSglobal.com

Driving Performance. Promoting Excellence.

### Digital Transformation Advisory

RPA Based Solutions  
AI Driven Solutions  
Blockchain powered Solutions  
FINTECH Solutions

### Tax Advisory

Indirect Tax in GCC  
ESR Advisory  
CbCR advisory

### Management Consulting

Strategy Consulting  
Corporate Governance Solutions  
Performance Measurements Solutions

### Risk & AML/ Compliance Advisory

BASEL III/IV Advisory  
AML & Compliance Advisory  
IT Risk Advisory

### IFRS Advisory

IFRS 17 for Insurance Contracts  
IFRS 9 for ECL Computation  
IFRS 15,16 & IAS 19 Advisory

AJMS Global is a boutique consulting firm specializing in providing niche consulting proposition to its clients in the area of Tax, Risk, Compliance, IFRS advisory and Digital Transformation Advisory. With a focus on financial sector including Banks, Finance Companies, Insurance Companies, Investment Companies and MTO's, AJMS has developed a strong suite of products and services with the support of its highly experienced team to provide a strong value proposition for its clients.

# Startup Support, Business Incubators and Accelerators

Dubai SME launched a program to accredit business incubators and accelerators in Dubai. The program aims to regulate business incubators and accelerators invested in fourth generation technologies in the emirate and make sure that they provide the best tools for young entrepreneurs from all over the world to implement their creative projects.

The accreditation program presents vast opportunities for the public and private sectors, academic institutions and investors to channel their expertise and resources into creating co-working spaces that promote knowledge sharing and sustain innovations.

Dubai is home to well over 200 nationalities, many of them successful entrepreneurs in diverse sectors. The entrepreneurial culture in Dubai, as well as its competitive start-up ecosystem



developed by the government and private sector, remains a magnet for the ambitious and enterprising all over the world.

Dubai SME, the agency of Dubai Economy focuses on programs and initiatives that firmly position Dubai as a regional and international hub for innovation and entrepreneurship.

### **Creating opportunities for business development**

Supporting start-ups to successfully navigate early challenges and enabling them to emerge into regionally and globally competitive enterprises is also a priority for Dubai SME.

Start-ups that are members of Dubai SME are encouraged to be key suppliers and facilitators of ambitious initiatives, such as the Expo 2020 Dubai, and the government



procurement programme (GPP) in Dubai. The GPP requires Government agencies, institutions, and entities in which the government holds 25% or more in equity to allocate 10% of their purchases to Emirati companies that are members of Dubai SME. Moreover 20% of Dubai Government tenders also go to Dubai SME member firms.

Two smart dashboards have also been created for local start-ups to benefit optimally from GPP-one for ‘Supporting Dubai Government Entities and Institutions,’ and the other as a ‘Supplier Dashboard for Dubai SME Members’. The two dashboards enable procurers and suppliers to stay connected and updated on an innovative technology platform.

Incubators and accelerators are being created across various commercial districts, free zones and specialized industry clusters as well as schools and universities in Dubai.

### **Following are some of the incubators and accelerators certified by Dubai SME**

1. The Hamdan Innovation Incubatory (Hi2)
2. Area 2071
3. The Co-Dubai
4. AstroLabs
5. The Higher College of Technology-Dubai Men’s Campus
6. Bedayat
7. Business Incubator - Gems Modern Academy Schools
8. British Centers for Business
9. Amity University Dubai
10. TALG Incubator
11. In5
12. Dubai Technology Entrepreneur Campus
13. Re- Urban Studio

### **The Hamdan Innovation Incubator (Hi2)**

The Hamdan Innovation Incubator (Hi2) in Dubai SME provides a complete support environment for innovative entrepreneurial projects. Currently, Hi2 has a portfolio of 600 innovative start-ups and it has also succeeded in attracting more than 200 innovative projects. A major milestone for Hi2 is the Innovation Attraction Program which enables innovators around the world to test-bed their innovations in designated locations in Dubai, thus bringing the local industry in direct contact with future business leaders who will show the way in improving productivity and efficiencies. The accredited incubators and accelerators will also be a part of Dubai Business Incubator Network (DBIN) providing varied services, membership packages, workshops, training courses, and co-working spaces at competitive prices for entrepreneurs, in addition to services that emerging projects need during the various stages of their life cycle.

### **AREA 2071**

Area 2071 was established as a platform to drive global change through collaborative engagements between the public and private sectors, startups, entrepreneurs and innovators. The programs connect corporate and government entities with leading startups, innovators, researchers, entrepreneurs and students of all ages to solve challenges, create solutions and design a better tomorrow. Area 2071 offers business visa, business license, workspace, housing, digital community and guidance for innovative ideas to make them practical in real life scenario.

### **Dubai Entrepreneurship Academy**

The Dubai Entrepreneurship Academy is the educational arm of Dubai SME, empowering entrepreneurial talent and



equipping entrepreneurs and start-ups with the necessary knowledge and skills to become successful. The Academy offers various levels of academic programs, training and workshops in various disciplines of start-up launch and growth, including project management, operations and business development.

**In5**

In5 supports innovative, active and engaged startups with subsidized pricing as follows. After the incubation period at In5 Innovation Center, In5 offers lease options for startups to relocate at various Free Zone locations. A startup team of over 4-members, are termed as Graduates and are provided an independent office option with Dubai Development Authority (TECOM Buildings) for a subsidized rate. Terms and conditions are applicable to extend the subsidized cost and approval is subject to In5 management decision.

**Dubai Technology Entrepreneur Campus - Dtec**

Dtec is an integrated entrepreneurial ecosystem located at Dubai Silicon Oasis. Dtec is accelerating the startups to stay on their feet till attaining a full business opportunity. Dtec supports young technology businesses with a range of facilities and services including:

- Easy freezone business setup
- Visa services
- 10,000 sq m creatively designed space
- 24/7 access
- High speed WiFi
- Free tea, coffee & water
- Parking
- Creative meeting and breakout spaces
- Conference facilities
- Games rooms & cafes
- Annual event program
- Corporate partner labs
- Investment opportunities
- Acceleration programs

<b>In5 Subsidized Pricing (AED)</b>	<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>
License	1,000	1,000	1,000
Co-working Desks	12,000	15,000	18,000
Dedicated Office	30,000	35,000	40,000
Visa/Person (Out of Country)	1,500		
Visa/Person (In-Country)	3,130		

**License**

A full license fee of AED 15,000 is applicable after three years.

**Visa**

Visa validity is three years.

The subsidized pricing is applicable up to four visas.

In5 provides access to business set up, trade license, mentorship, community events & workshops and networking to interact with prospective investors.



### **Re-Urban Studio**

Re-Urban Studio is the first community-based design incubator in Dubai, targeting design professionals in all fields with a focus on placemaking design disciplines such as Architecture, Interior Design, Urban Design, and Visual Communication. Re-Urban Studio is a multi-functional platform, offering all kind of services for Designers living or visiting Dubai, in order to connect, create, and grow. By being located in Dubai Design District, the studio offers a sustainable and supportive opportunity and environment to start and grow a design business for Designers in Dubai.

### **AstroLabs - DMCC (Dubai Multi-Commodities Centre)**

AstroLabs is a capability building company, that improves the digital network of the Middle East and Africa region. Since 2013, the Academy has upskilled thousands of alumni and partnered with the largest organizations in the region to enable their

digital transformations. From broad-scale enterprise training to managed incubators and accelerators, AstroLabs designs and deploys custom programs for corporates, universities, and government entities. AstroLabs is increasing the innovation economy in the area by backing up hundreds of international entrepreneurs and business men with local business licensing and collaborating at a network of collective spaces in the UAE and Saudi Arabia.

### **DIFC FinTech Hive - Dubai International Financial Centre (DIFC)**

The DIFC FinTech Hive is the major and primary fiscal technology accelerator in the Middle East, Africa and South Asia (MEASA) region, aiding the acceleration of any form of startup through enthusiastic accelerator programs that ensure them the prospects to reach the region's prime stakeholders and organizations. It also provides a devoted cooperative space to work, and a community of individuals with similar mindsets, as well as access to the leading financial community in the region.

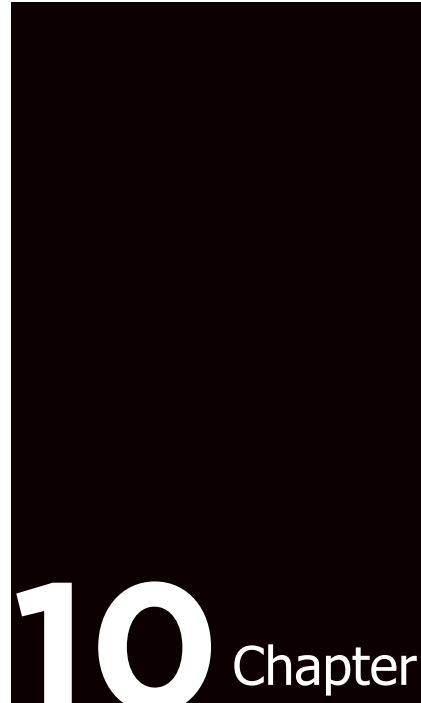
### **Scality**

Scality is a flexible and innovative business set up solution offered by Dubai Airport Free Zone. An investor with an innovative idea can commence his/her operation via a simple monthly subscription and gain access to a network of reliable partners enabling the business to grow. The key offerings by Scality are (a) membership with a subscription model (b) holistic and one-stop solution to launch and grow (c) facility to work with market leaders (d) futuristic co-working space with a community of techpreneurs (e) opportunity for networking with Fortune-500 companies already based in Dafza.

# Real Estate

In May 2002, the Ruler of Dubai issued the decree to allow foreign nationals to invest in Dubai properties on freehold ownership. The properties were initially grouped under three entities- Emaar Properties PJSC, Nakheel and Dubai Properties. Subsequently many developers entered in the market and still continuing.

In the year 2006 the Land Registration Law was enacted to legalize freehold ownership of land and property for the UAE and GCC citizens, while awarding the same rights to non-GCC nationals in pre-designated areas that are approved by the Ruler of Dubai. Since then, Dubai has taken considerable advancements to become a sophisticated and acceptable real estate market. Implementation of various laws and regulations and establishment of Real Estate Regulatory



Agency are viewed very useful. The Escrow Law, Landlord and Tenant Law, Strata Law, Mortgage Law, Pre-Registration Law etc., were welcomed by investors to a large extent.

Real Estate activities in Dubai generated a value addition of almost AED 28.7 billion in the year 2021 alone, increasing by 7%, over three and half time the growth rate of real GDP. Government's push to promote Dubai and the UAE as an attractive destination for expatriates, working individuals, tourists and businesses has drawn investors from a broad pool of nations into the residential real estate sector. Recent report shows residential and non-residential real estate investment accounted collectively 23 percent of total capital spending in Dubai.



Find Out More  
Scan Here!

aaronz

Aaronz & Co. Real Estate | MMJS Company

## ABOUT

Aaronz & Co is a real estate company in Dubai formed with passion to promote quality experience and help in the journey of dealing with real estate. Our property advisors with over 20 years of experience in the European and Dubai market understand your needs and support you with consulting, investing, buying, renting, selling and managing your properties.

Aaronz & Co. combined with financial and market knowledge will help and direct in the right decision making for your real estate portfolios.

## OUR SERVICES



REAL ESTATE CONSULTING



INVESTING



LEASING



BUYING AND SELLING



## GET IN TOUCH WITH US!



+971 58 627 2242



+971 4 584 9243



info@aaronz.co



3402, Marina Plaza, Dubai Marina,  
Dubai, UAE

### **Visa facility for Freehold Property owners:**

Owners of freehold properties in Dubai valued over AED 1 million and having no mortgage can obtain two years residence visa subject to the prevailing immigration rules and conditions. Unlike normal employment or residence visa, the application for entry permit and other formalities are processed at the dedicated immigration counter in RERA office.

### **Licensing of Real Estate Activities: Real Estate Buying and Selling Brokerage (Professional Licence)**

Includes firms dealing with buying and selling of property by acting as brokers between the owners and buyers. The licensee should complete Real Estate Practitioner Course if he is a graduate and diploma in Real Estate course if he is non-graduate.



### **Real Estate Leasing Brokerage (Professional Licence)**

Includes firms which act as a link between the landlords and tenants for leasing property against remuneration. The licensee should complete Real Estate Practitioner Course if he is a graduate and diploma in Real Estate course if he is non-graduate.

### **Self-owned Property Leasing and Management Services**

Includes firms engaged in managing commercial, residential, industrial buildings owned by the owner and his first and second-degree relatives. It also includes handling contractual arrangements with the firms in charge of maintenance, security and issuing tenancy contracts.

### **Real Estate Development**

This refers to companies established for the development and founding of real estate projects which include housing and commercial complexes, tourism projects, and the development of the infrastructure and leisure facilities for such projects. It also covers the selling of the property or projects as per the free hold ownership law of property whether owned by the license holders or another party through a contract signed between the developer and the land owner and registration of the contract in the Escrow Accounts Department ahead of the commencement of the project.

### **Real Estate Management Supervision Services**

Include firms specialized in managing and supervising properties, contracting with the firms in charge of maintenance, cleaning and security services, handling the administrative issues for the property's



owner, coordinate with lease brokers to find tenants for vacant units in the building.

**Owners’ Association Management Services (Professional License)**

Includes firms specialized in managing and supervising the properties that are jointly owned and run by owners’ associations with the responsibilities of contracting, managing and supervising the firms in charge of maintenance, cleaning, security services and other specialized service providers; as well as handling the administrative issues and the record of the building and association submitting periodical reports to the association.

**Renting of Residential Units on Time-Sharing Basis**

Includes firms specialized in offering furnished flats and cabins in residential

resorts and commercial complexes for rent on time-sharing basis. It also includes making renting available on membership basis.

**Real Estate Mortgage Consultancy (Professional Licence)**

Includes firms specialized in offering advisory on how to mortgage property to get loans from financial institutions for financing freehold property, including selection of a financial institution, how to mortgage and release a property, preparation and submission of documents, the implications of mortgaging in midterm, refinancing and mortgaging fully paid properties, re-mortgaging and transfer to another financier, evaluation of financing rates, such firms are not allowed to seek or carry out any mortgaging for themselves.

**Mortgage Broker**

Includes personal and corporate brokers who advise and assist borrowers in obtaining the best borrowing conditions from lenders and commercial banks to acquire or build properties, such service is against commission without exercising direct lending to borrowers.

**Property Inspection Services  
(Professional Licence)**

Includes firms specialized in inspection of housing and commercial properties providing comprehensive, objective and professional reports for proprietors, sellers, buyers, real estate agents in order to facilitate negotiations and transactions, and to provide buyers, sellers with reports and remarks ahead of the completion of buying and selling stating the condition of the property and indicating any technical flaws.

**Real Estate Valuation Services  
(Professional License)**

This includes the appraisal and assessing the value of fixed property such as plots of land and building for various reasons at the request of specialized surveyors or by official authorities.

**Real Estate Consultancy  
(Professional License)**

Includes offices which offer real estate consultancies in return for money. These consultancies are relevant to data, information and prices of all types of real estates. The services of these offices do not include facilitating contacts between parties or the undertaking of selling and buying procedures.

**Real Estate Representative Office**

Includes offices established by an international company or enterprise to represent it in Dubai in order to market



and promote the property that it owns outside the UAE, or facilitate commercial deals between the mother company and its customers.

**Real Estate Survey Services**

Includes firms engaged in surveying buildings and dwellings, as regarding number of floors and joint spaces, this process involves lands, buildings and units, vertical and dimensional surveying, joint spaces in buildings lands surveying, preparation of maps and sketches of real estate units.

**Buying and Selling of Real Estate**

Includes firms which work in the purchase of real estate, such as residential and non-residential buildings and commercial land for selling. However, such firms are not allowed to practice the activity "Real Estate Development". If the company has been formed with a foreign partner, the company can own properties in free hold areas only.



# Customs Procedure

Dubai Customs is one of the oldest governmental departments. With more than 100 years in operation, Dubai Customs went through several phases before institutionalization. In the year 2001, Dubai Customs entered a new era by establishing the Ports, Customs and Free Zone Corporation by merging Dubai Customs, Dubai Ports and Free Zone Authorities.

Dubai Customs implements simple and easy procedures for customs transactions and clearing the goods. The procedures are fine tuned to regional and international laws, legislations, agreements and in a manner fitting with internationally adopted best practices.

Dubai Customs operate under the Common Customs Law of the GCC States



## 11 Chapter

and other National/ Federal Rules and Regulations in line with the provision of the International Agreements relating to the Customs.

### **Registration**

Any business licensed by a competent Authority in the UAE or in the GCC States may register their business with Dubai Customs using the online services through Dubai Trade portal [www.dubaitrade.ae](http://www.dubaitrade.ae) to avail the various services of Dubai Customs. While registering, the client needs to specify the type of business that they operate which must be matching with the activities of the license.

### **Business Association**

Dubai Customs enables the Importers/ Exporters, Logistics providers and Free zone Licensees to authorize a Customs





Broker electronically. They can associate a Customs Broker Code to their profile permitting the Customs Broker to process transactions with Dubai Customs on their behalf. The authorizing parties can decide the Declaration Types which can be submitted by their authorized Customs Broker for Customs Clearance and fix the validity period of authorization with the option to use their Credit Facility for payment of duty, deposit and other customs charges by the brokers.

### Accreditation Program

Accreditation Program is a program designed by Dubai Customs to reward its clients with higher level of services and incentives to encourage the voluntary compliance with Customs laws and regulations. Clients shall complete the application and the self-assessment which will be reviewed by Dubai Customs to check eligibility and to grant accreditation. The program benefits the client in the form of accessing credit facilities, reduced customs intervention for document clearance and allotting a dedicated accounts manager. Normally the accreditation is for a period of one year, renewable.

### Customs Duty

Customs Duty and other applicable Fees shall be levied on the goods imported into the country as specified in the customs tariff excluding those exempted under the provisions of GCC Customs Law or under the Unified Economic Agreement of the GCC Arab states or any other international agreement within the framework of the Council.

The Duty rate of the Customs Tariff on imported goods are fixed either on ad- valorem or specific terms or both.

### Ad - Valorem Duty

Ad valorem Duty is calculated on a percentage of the CIF value of the goods.

### Specific Duty

A specific Duty is a tariff rate levied on imports, defined in terms of a specific amount per unit, gross or net weight, volume, length or number of items. In other words, a sum of duty is charged for a quantitative description of the goods where the customs value of the goods does not need to be determined since the duty is not based on the value of the goods.

### Tariff Rates

The Customs Duty on foreign goods and commodities originated and imported from non-GCC countries are as follows: The common customs tariff of the GCC Customs Union shall be 5% CIF value of all foreign goods imported from outside of the Customs union.

Ad valorem or specific Customs Duties on tobacco and products thereof shall be 100% and on alcoholic products are levied at 50%. The duty is collected either on the value or on the quantity/ weight whichever is higher.



### Private Customs Warehouse

Private Customs Warehouse is a place, or a building managed by a licensed operator where only the goods owned by him can be deposited under the Customs Control. The Customs Duties on such goods are suspended in accordance with the provisions of Customs Policy. A registered Importer can apply for a Private Customs Warehouse License to the Tariff and Origin Department of Dubai Customs along with a Bank Guarantee not less than an amount of AED 50,000. The guarantee amount is determined on the basis of the value of the goods to be deposited in the warehouse and their applicable Duty amounts and other fees.

The period for storage of the goods in the Private Customs Warehouse shall be two years from the date of lodgment of Customs Declaration which may be extended for another one year subject to the approval from Dubai Customs. Any movement of goods into and out of Private Customs Warehouses shall be against the clearance of subsequent Declaration. Prior to the expiry of the storage period, the goods must be either taken out for local use or for exports.



The Private Customs Warehouse owner shall be responsible to maintain all records of Customs Declarations and the goods stored in the warehouse.

### Public Customs Warehouse

Public Customs Warehouse is a place, or a building fenced with a single main entrance and managed by a licensed operator under Customs Control. A registered investing body, such as Department, Organization, any natural person or a corporate body can apply for the license of Public Customs Warehouse to the licensing department of Tariff and Origin in Dubai Customs along with a Bank Guarantee not less than an amount of AED 1.50 million.

The guarantee amount is determined on the basis of the value of the goods to be stored in the warehouse and their applicable Duty amounts and other fees. The applicant must meet the conditions laid down in the Dubai Customs Policy. The Public Customs Warehouse Operator shall be responsible to Customs Administration on all the goods that are stored in the warehouse.

The Customs Duties on such goods are suspended in accordance with the terms and conditions of Dubai Customs Policy.

This facility allows the importers who do not own a warehouse, to import and store the goods with deferred payment of duty until the goods are taken out either for local consumption or for export.

Any movements of goods into and out of warehouse shall be made against the Customs Declarations. The Customs Clearance shall be regarded as an approval for storing the goods in the Public Customs Warehouse.

The period of depositing the goods in the Public Customs Warehouse shall be two years from the date of lodgment of Customs Declaration which may be extended for an additional period of one year subject to the approval from Customs. The goods must be taken out or exported prior to expiring the storage period.

All the records of Customs Declarations and the goods deposited in the Public Customs Warehouse shall be maintained and accessible to Dubai Customs.

### **Free Trade Agreements (FTAs)**

Dubai is a trade friendly economy with reduced trade barriers supporting investment climate for stable growth of trades and industries. Recognizing the increasing number of Free Trade Agreements (FTA) in force around the world, UAE has also signed FTAs with a number of countries to foster free trade flows, enhance the competitiveness of UAE's exports in the partner market and to make UAE as an investment destination. The products originating from a country under FTA shall benefit from the preferential treatment upon submission of proof of origin.

### **Greater Arab Free Trade Agreement (GAFTA)**

Goods produced in any of the GAFTA member country shall be exempted from duty in any other member country provided that the shipment is accompanied by the specific certificate of origin issued by the competent authority of the producing member country.

GAFTA member countries: Hashemite Kingdom of Jordan, Republic of the Tunisia, Republic of Sudan, Syrian Arab Republic, Republic of Iraq, Lebanese

Republic, Kingdom of Morocco, State of Palestine, State of Libya, Arab Republic of Egypt, Republic of Yemen, Republic of People's Democratic Republic of Algeria and GCC States.

### **Customs Audit**

Clients can submit a request to have their records audited by Dubai Customs in a formal application to the Customs Audit Department. Customs shall conduct the audit upon the approval against a service fee. The Customs Audit Department shall conduct the audit and submit a final report within 3 months from the date of payment of Audit Fee. However, the audit report from Dubai Customs at the request of the client shall not prejudice Dubai Custom's right to claim for customs duties and fines until it is confirmed that it is payable in accordance with the Common Customs Law.

### **Practice of transactions: Import of Goods for local market**

Goods are being imported to the local market from other countries against the payment of Customs duty or duty exempted whichever is applicable.

### **Import for Re-Export**

Goods may be imported into the country for the purpose of re-exporting to other countries. The importer shall pay the customs duty in the form of a deposit which will be refunded upon presenting a proof of re-export of the goods.

### **Temporary Admission**

Goods may be imported from outside the country for use in exhibitions, seasonal markets and similar events or in construction projects and scientific researches and must be returned in the same condition at which they have been imported.



# Visa & Entry Permit

## **Registration of the Entity with MoHRE and General Directorate of Residency and Foreigners Affairs (GDRFA)**

Every entity registered in Dubai must further register with MOHRE and GDRFA and obtain the Establishment Card to enable them to apply for work visa for the staffs. The Establishment Card will have a unique number with the owner's names, authorized signatories and their signature forms as well as the data of the establishment with its economic activity and location.

## **Procedures with Ministry of Human Resources and Emiratisation (MOHRE)**

MOHRE, known before as Ministry of Labour, is responsible for overseeing the employer-employee relations and maintaining labour rights for the private sector. Federal Law No. 8 of 1980 also known as the Labour Law as amended

# 12 Chapter

governs the labour rights of employees in the private sector. The Labour Law handles matters related to working hours, vacation and public holidays, sick leave, employing juveniles, maternity leave, employee records, safety standards, termination of employment and end of service gratuity payments. According to Article 3 of the Law, it applies to all employees working in the UAE, whether UAE nationals or expatriates. However, there are certain categories of employees who are exempt from the law and may have to follow another set of regulations.

## **Procuring Work Visa**

Procuring a work visa involves MoHRE and the General Directorate of Residency and Foreigners Affairs (GDRFA). The process starts with procuring a work permit for an expatriate from MOHRE. The work permit allows the holder to enter the UAE for

employment and it is valid for two months from the date of issue.

After the employee enters the UAE on the basis of the work permit, the sponsoring company arranges to complete the formalities of medical testing, obtaining UAE Resident Identity (Emirates ID) Card, Labour Card and stamping the work residency permit on his passport within a period of 60 days. The work residency permit on the employee's passport denotes that he is sponsored by the company he is employed. After this process, the employee can sponsor his family members and bring them into the country.

#### **Process of work visa**

- Employment visa quota approval
- Job Offer Contract signing
- Work Permit – application approval
- Employment Entry permit
- Entry to UAE with new Entry Permit or change of status
- Medical test
- Emirates ID Application and biometrics process
- Medical test result
- Labour Contract signing
- Health Insurance application
- Visa Stamping in Passport by GDRFA
- Receipt of Emirates ID

#### **Wages Protection System**

In line with the UAE government efforts and its development and modernization plans which aim at improving government performance and providing better and faster services to the public, the MOHRE implemented the Wages Protection System. This system is an important step towards ensuring and protecting the rights of workers, and towards establishing trust between establishments and their employees. Companies are now obliged

to transfer the salaries of their employees through the new system. Companies that fail to abide by the decision will be subject to punishments and fines and will not be able to obtain work permits.

#### **Tawteen Club**

In order to increase the number of local workers in the private sector, the Ministry of Human Resources and Emiratisation (MOHRE) has launched a National Program for Emiratisation called 'Tawteen'. The program implements a new labour market testing platform called 'Tawteen Gate', which requires selected companies to create job advertisements accessible to UAE nationals seeking employment before those employers can hire foreign nationals.

#### **Tawteen Gate**

As part of the National Program for Emiratisation, the MOHRE has launched a labour market testing electronic platform called 'Tawteen Gate' which requires selected companies to create job advertisements accessible to UAE nationals seeking employment and creates an online platform that selected employers can use to search for local workers.

#### **Benefits to members of Tawteen Club**

- Fast Track services: Focusing on giving priority to the establishment in providing and delivering the services.
- Dedicated account manager as the Ministry appoints an employee to connect with the establishment, besides providing assistance, guidance and technical support service.
- Free awareness raising workshops for the members of Tawteen Partners Club.
- Dedicated legal advisor to provide legal advice for questions and complaints.
- Priority in setting appointments (within



one business day) for inspections, meeting the senior leadership in the Ministry of Human Resources and Emiratization, etc.

- Obtaining a transactions report through a smart system.
- Priority in answering phone calls, with no delay, when calling the contact centre.
- Accelerating procedures within the waiting systems.
- Counselling services.

### Golden Visa/Long Term Visa for Investors & Entrepreneurs

UAE Government decided to grant investors a ten-year residency visa, as well as to grant residency visas of up to 10 years for specialists in the medical, scientific, research and technical fields, and for scientists and creative talents of culture and arts, including their spouses

and children. The decision aims to maintain the position of the UAE as an optimal business environment.

#### Investors

As per the decision two categories of investors are defined as: Investors in a property of a value of AED 5 million or more will be granted a residence for five years, and investors in public investments through a deposit, an established company, business partnership of AED 2 million or more, or a total investment of not less than AED 2 million in all areas mentioned as long as non-real estate investments are not less than 60 percent of the total investment, will be granted a renewable residency visa every 10 years.

#### Entrepreneurs

The decision also includes the terms to grant long-term visa to two categories of

#### Conditions to be met:

Investment retention for at least 3 years

The decision allows investors to enter the country for a six-month period, multiple entry, to apply for the long-term visa requirements.

A standard financial liability with a financial solvency not exceeding Dh10 million

The amount invested should be wholly owned by the investor and not loaned and should be proven by supporting documents.

The long-term visa could also be extended to include business partners, provided that each partner contributes Dh10 million, the spouse and the children, as well as one executive director and one advisor.

entrepreneurs- those having a previous project with a minimum of AED 500,000 or having the approval of an accredited business incubator in the country. Entrepreneurs will be granted a five-year visa with a possibility for upgrading to an investor's visa provided they meet the requirements. The benefits of the entrepreneurial visa include entrepreneurs, partners, three executive directors, spouse and children. The entrepreneur is allowed entry into the country for six months, multi-entry visa period, with renewal for another six months.

### Other Categories

#### 1. Specialised talents and researchers in the fields of science and knowledge

The decision further extends to grant a 10-year visa for specialized talents and researchers in the fields of science and knowledge for doctors, specialists, scientists, inventors as well as creative individuals in the field of culture and art. The visa's advantages include the spouse and the children. All categories are required to have a valid employment contract in a specialised field of priority for the UAE, and the conditions for each category are defined as follows:

#### Criterion for doctors and specialists [requires at least 2 of the conditions mentioned below]

- Holder of a PhD degree from one of the top 500 universities in the world
- Holder of an award or certificates of appreciation for the work in the applicant's jurisdiction
- Contribution to a major scientific research related to the work of the applicant
- Published articles or scientific books in distinguished publications in the field of work of the applicant

- Membership in an organisation related to the work of the applicant, which requires excellent work to accept membership
- A PhD degree in addition to 10-year professional experience in the applicant's field of work.
- Specialisation in areas of priority to the UAE (additional requirement for the doctor)

**2. Creative Individuals in Culture and Art** - who have been accredited by the Ministry of Culture and Knowledge Development.

**3. Inventors** - who obtained a patent of value added to UAE's economy with the approval of the Ministry of Economy.

**4. Exceptional Talents** - Those who have exceptional talents that are documented by patents or scientific research published in world-class journals.

**5. Executives** - Owners of leading, well-known and internationally recognized companies, holders of high academic achievement, professional experience, and position (eg, an engineer in a rare specialty with a university degree and working in a private company in the UAE).

**6. Outstanding students** - The decision also includes provisions for granting a 5-year visa to outstanding students with a grade of at least 95 per cent in public and private secondary schools, and a distinction of at least 3.75 GPA upon graduation from universities within and outside the country. Benefits include families of the outstanding students.

#### Business visa

A business visa is part of the Golden Visa system under which foreigners can obtain a long-term visa for themselves and their



dependents. An eligible entrepreneur is anyone who has set up a business of his own at some point of time in his career and wishes to do so again in the UAE. It aims to create an attractive environment for businesses and the UAE's economic growth. The visa is normally valid for 5 years.

### Criteria

- be able to substantiate the experience as an entrepreneur.
- have been a majority shareholder of a start-up or a member of its senior leadership.
- be willing to relocate to the UAE and legally establish a business in one of the seven emirates.
- have a business idea or a business plan that you wish to bring to life in the UAE.

In addition, applicants must successfully pass the requirements of the Federal Authority for Identity and Citizenship including a background check and health assessment. Qualifying for the business visa does not guarantee that the applicant will receive the visa. Specialised committees review the application and the attached documents and grant an approval accordingly. Once approved, the applicant will be required to follow the requirements of the Federal Authority for Identity and Citizenship in order to be issued the visa.

### Applying for business visa at AREA 2071

In order to apply for a business visa, the investor's nomination must be approved by Area 2071, the incubator supported by the UAE government. Once the nomination has been approved, the investor shall be invited to apply for the visa through the Federal Authority for Identity and Citizenship.

### Benefits of business visa

Once the visa is issued, the investor can:

- enter the country for a period of six months with a multiple-entry visa, to facilitate the procedures of establishing the business.
- nominate up to three of his business's senior staff to obtain residency.
- All visa holders will be allowed to sponsor their dependents subject to the conditions and requirements as set out by the Federal Authority for Identity and Citizenship.

### Retirement visa for UAE residents

Retired residents over the age of 55 can get a long-term residence visa for a period of 5 years. The visa may be renewed if the eligibility criteria is met. For a retiree to be eligible for a 5-year renewable retirement visa, he must fulfill one of the following criteria:

- invest in a property worth AED 2 million.
- have financial savings of no less than AED 1 million.
- have an active income of no less than AED 180,000 per year.

### Entering Dubai - Type of visas and entry permits

GDRFA issues several types of visas and entry permits based on the purpose of visit.

### Transit/Stopover visa

Duration: 48 to 96 hours.

Validity: 14 days from the date of issue

Prerequisites: Valid onward flight booking outside of the UAE and confirmed hotel booking for the duration of the stay in the country.

### Service Visa

Duration: 14 days from the date of entry.

Validity: 14 days from the date of issue.

Prerequisites: Sponsorship from a hotel or a tour operator in UAE.



**Tourist Visa**

Duration: Long term visa for 60 days or Short-term visa for 30 days from the date of entry depending upon the visa type  
 Validity: 60 days from the date of issue  
 Prerequisites: Sponsorship from a resident, hotel or a tour operator in UAE.

**Visit Visa**

Duration: Long term visa for 60 days or Short-term visa for 30 days from the date of entry depending upon the visa type  
 Validity: 60 days from the date of issue  
 Prerequisites: Sponsorship from a resident, hotel or a tour operator in UAE.

**Visa on arrival 30 - days visit visa**

Citizens of Andorra, Japan, Kazakhstan, Singapore, Malaysia, Ukraine, Mauritius, UK, Monaco, USA, Vatican City, Hong Kong, China, Macau are eligible for visa on arrival valid for 30 days without any fee.

**90 - days visit visa**

Passport holders of Argentina, Honduras, Romania, Austria, Hungary, Russian Federation, Bahamas, Iceland, Saint Vincent and Grenada, Barbados, Italy, San Marino, Belgium, Kiribati, Serbia, Brazil, Latvia, Seychelles, Bulgaria, Liechtenstein, Slovakia, Chile, Lithuania, Slovenia, Costa Rica, Luxembourg, Solomon Islands, Croatia, Maldives, South Korea, Cyprus, Malta, Spain, Czech Republic, Montenegro, Sweden, Denmark, Nauru, Switzerland, El Salvador, Netherlands, Uruguay, Estonia, Norway, Finland, Paraguay, France, Poland, Germany, Portugal, Greece are eligible for 90-days visit visa valid for 6 months from the date of issue and for a stay of 90 days in total.

**180 - days visit visa**

Citizens of Mexico are eligible for a multiple entry 180-day visit visa valid for

6 months from the date of issue, and for a stay of 180 days in total.

**Residents of GCC countries**

GCC residence permit holders need to apply for a UAE visa before arriving in Dubai.

**Visa on arrival for Indian nationals**

Indian nationals holding a normal passport valid for a minimum of six months from the arrival date, and a visit visa or green card issued by the USA which is valid for a minimum of six months, or holding a UK or EU residence, can obtain a visa on arrival for a maximum stay of 14 days which is extendable for an additional 14 days.

**Tourist visas through airlines**

Airlines in UAE offer tourist visa based on certain conditions such as the visitor must fly with the airline which processed the visa. Etihad Airways, Emirates Airline, Fly Dubai and Air Arabia do offer such facility.

**Five year multiple-entry tourist visa**

Federal Authority for Identity and Citizenship issues five-year multiple entry visa for tourists to enter UAE and issued to all nationalities. The five-year visa enables tourists to enter multiple times on self-sponsorship and remain in the country for 90 days on each visit, which can be extended for another 90 days. Applicants must pay AED 650 (USD 177) to apply for the visa via ICA portal. It is required to evidence a balance of USD 4,000 or its equivalent in foreign currencies in their bank account of the last six months. The applicants require sufficient medical insurance coverage during their stay in the country. In Dubai, GDRFA accepts the application for issuing multiple entry tourist visa.



# KRESTON MENON

## PROFESSIONAL TRAINING

We at Kreston Menon Professional Training DMCC, believe that efficient people lead to excellent business results. We support organizations to maximize the potential of their workforce with our tailor-made innovative training solutions which aims at closing skill gaps and improving employee performance.

### FINANCE & TAX

- IFRS
- Bookkeeping & Audit
- Taxation & Transfer Pricing
- Financial Reporting & Analysis
- VAT in KSA/Oman
- Payment of VAT and filing of VAT Returns
- VAT Health Check Training
- Fundamentals of Transfer Pricing
- VAT Update Seminar
- UAE VAT Compliance
- Real Estate UAE VAT Training Programme

### COMPLIANCE

- Corporate Governance & Risk Management
- Anti-Money Laundering
- Regulatory Laws of UAE

### PROFESSIONAL QUALIFICATIONS

- CPA
- CMA
- CIA
- ACCA
- CA
- ICAEW

### PEOPLE ORIENTED

- Human Resources Training
- Leadership Training
- Board Effectiveness
- Lifestyle Training
- Soft Skills Training
- Customized Training Programs

LEARN. ELEVATE. **GROW.**

# Banking, Finance & Money Changing Activities

## 13 Chapter

### **Role of UAE Central Bank:**

Federal Law No. (14) of 2018 to replace the Law No. (10) of 1980 regulating the Central Bank & Organization of Financial Institutions and Activities. The law considers financial regulation developments, both at international as well as at domestic levels. The Law aims at strengthening Central Bank's independence and executive powers, thereby allowing for an effective regulation and supervision, with a focus on compliance, licensing, financial stability and prudent management of foreign reserves, in addition to ensuring well-functioning financial infrastructure systems and consumer protection.

In order to achieve its vision of “promoting monetary and financial stability towards sustainable economic growth, which will

be achieved by enhancing monetary and financial stability through effective supervision, prudent reserve management, and robust financial infrastructure”, the Central Bank has been tasked with the functions of:

- Currency issuance and conduct of monetary policy.
- Organization and licensing of financial institutions.
- Monitoring credit conditions to achieve balanced growth.
- Constantly maintaining a minimum Cover Ratio of foreign currency assets to safeguard the credibility of the fixed peg arrangement.
- Regulating and maintaining the soundness of the systematically important financial infrastructure systems.



### Activities of Central Bank:

The Central Bank is authorised to issue licenses and regulations for banks and other financial institutions which are distinctly categorized into:

- Commercial Banks
- Investment Banks
- Financial Investment Companies
- Money Changers
- Finance Companies
- Representative Offices of Foreign Financial Institutions

### Commercial Banks

Banks in the UAE are divided into two major categories:

- Locally Incorporated Banks which are public shareholding companies licensed and operating in accordance with provisions of Federal Laws.
- Branches of Foreign Banks which have obtained Central Bank's license to operate in the country as per provisions of the said Law.

Currently there are 46 banks operating in UAE of which 19 are locally registered banks and 27 are branches of foreign banks.

### Investment Banks

Investment bank is a bank that does not accept deposits whose maturities are less than two years, but may borrow from its head office, from local or foreign banks or from financial markets.

### Financial Investment Companies

Financial Investment Companies are defined as those conducting one or more than one of the following business areas:

- Opening investment accounts and managing portfolios on behalf of others, whether individuals or companies.
- Preparing feasibility studies for projects and marketing allotments and stocks of shareholding companies.



- Establishing and/or managing investment trust funds.
- Establishing and/or managing other investment funds and act as trustee of funds entrusted to it by a trust to manage on behalf of a beneficiary.
- Subscribing to companies' capital and participating in syndicated loans.

### Finance Companies

Finance Companies undertake one or more of the following major financing activities:

- Extend advances and/or personal loans for various personal consumption purposes.
- Financing trade and business, opening credit and issuing guarantees in favor of customers.
- Subscribing to the capital of projects, issues stocks, bonds and/or certificates of deposit.

### Representative Office – Foreign Bank

A representative office of foreign bank undertakes one or more of the following activities:

- Representing the financial institution licensed to deal inside the country, including contacts on its behalf with concerned agencies as well as promoting its services in the local market.
- Providing the head office of the licensed financial institution with data relating to economic developments in the country.
- Providing customers of the licensed financial institution with information on the local market.
- Providing data to local agency, which intends to develop its business at countries wherein the licensed institution conduct its business.
- Providing customers with banking, financial and investment consultation services. The representative offices should represent a bank, or any other financial institution incorporated outside the country, holding a valid license obtained from competent authorities. Such bank or financial institution should also be subject to the direct supervision and examination of the said authorities at the country of origin and/or the head office as per laws of the country.

### Money Changers

Central Bank is licensing and monitoring money exchange business in the UAE. It enhances exchange business, supports its geographical spread and facilitates exchange services throughout the UAE based on solid foundations.

#### Money changing license is issued based on the following criteria:

- Capital Requirement (paid up):
  - (i) AED 2,000,000 for carrying out purchase, sale and exchange of foreign currencies in the form of bank notes, coins and traveler's cheques.
  - (ii) AED 5,000,000 for carrying out remittance business within and outside

the UAE in addition to sale and purchase of foreign currencies and traveler's cheques.

(iii) AED 10,000,000 for carrying out payment of wages (WPS) through connecting to the Central Bank's system in addition to remittance business and sale/ purchase of foreign currencies and traveler's cheques.

(iv) AED 50,000,000 if the applicant is a limited liability company.

- Requirement of paid up capital shall be increased by 10% for opening each additional branch.
- The applicant must be a UAE national of not less than 21 years of age with full mental capacity.
- If the applicant is a limited liability company then its UAE national equity participation must be 60% of the total paid up capital.
- The person who is or shall be the Manager or controller of the exchange business shall have the appropriate theoretical knowledge of exchange business and the necessary management experience.





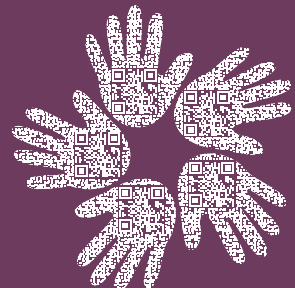
Schools offer a **safe haven** for children affected by **conflict** and **natural disasters**.



**Adopt a School with Dubai Cares** to empower vulnerable children in **remote communities** with a **better future** through access to **quality education**.



To learn more, scan the QR code or visit [www.DubaiCares.ae](http://www.DubaiCares.ae)



# Financial Markets and Investment Advisory Activities

## 14 Chapter

Financial and investment activities are monitored by the Securities and Commodities Authority which came into existence in the year 2000. The Authority has a legal, financial and administrative independence with the control and executive powers necessary for it to discharge its tasks in line with the provisions of this law and the regulations issued in implementation thereof.

### **Role of Securities and Commodities Authority (SCA):**

The Securities and Commodities Authority is the body responsible in the UAE for:

(i) Regulating Capital Market: SCA's key roles include organizing and regulating the UAE capital markets, safeguarding the rights of financial market investors, and promoting good corporate governance practices.

(ii) Licensing Public Shareholding companies: After meeting the requirements of UAE Commercial Companies Law.

(iii) Regulating Financial Consultation and Financial Analysis: Another service activity mandated for SCA to regulate and license. A person may not practice financial consultancy and financial analysis business without obtaining the required license for this purpose, according to Decision No. (48/R) of 2008 concerning the Financial Consultation and Financial Analysis.

(iv) Regulating the promotion of financial products: Promotion of financial products within the State is regulated by the Authority. No financial products unlisted, unregistered or unrecorded by the Authority may be promoted in the State. However, the Authority will not



issue any approvals or certificates regarding the promotion of a financial product. The role of the Authority shall be limited to registering the financial product based on the notification submitted by the promoter.

(v) Registration of foreign investment fund: It is mandatory to register foreign funds that wish its promotion within the UAE through one local promoter or more. Promotion is to engage in any activity related to the offering, marketing, distribution or advertising of a foreign investment fund or its units within the UAE.

(vi) Licensing of local investment fund: License must be obtained from SCA to set up a management company and to engage in the business of establishing and managing investment funds.

(vii) Licensing of financial brokerage firms: The activity of financial brokerage is an activity that require obtaining a license from SCA. A person may not practice the brokerage business without obtaining the license required for this purpose.

### **Financial markets in Dubai**

#### **Dubai Financial Market (DFM)**

DFM was established as a public institution in 2000. As decided by the Executive Council Decree of 2005, DFM was set up as a Public Joint Stock Company. 20 percent of DFM's shares were offered for public subscription, and that was the first of its kind in the region. It is the first financial market in the world to comply with Islamic Sharia rules.

DFM deals in equity instruments, debt instruments, Exchange Traded Funds (ETFs) and securities lending and borrowing.

#### **Dubai Pearl Exchange (DPE)**

DPE is an initiative of Dubai Multi Commodities Center (DMCC) for supporting the global trade of both natural and farmed pearls.

#### **Dubai Diamond Exchange (DDE)**

DDE is a DMCC platform and a Dubai Government initiative, it is the only bourse in the Middle East affiliated with the World Federation of Diamond Bourses (WFDB). DDE has a unique market and platform for trading and exchange of diamonds and precious gems. Located in the Almas Tower in Jumeirah Lakes Towers, it is home to many regional and international precious gems companies.

#### **Dubai Gold & Commodities Exchange (DGCX)**

DGCX commenced trading in November 2005, as the region's first commodity derivatives exchange dealing in metals, currencies, hydrocarbons and equities. DGCX is a subsidiary of DMCC. It is an electronic platform for trading commodity and currency derivatives.

#### **Dubai Mercantile Exchange (DME)**

DME was launched in June 2007 with the goal of bringing fair and transparent price discovery and efficient risk management to the East of Suez. It deals in energy futures and commodities. It lists the Oman Crude Oil Futures Contract (DME Oman) as its flagship contract, providing the most fair and transparent crude oil benchmark for the region. It is located in Dubai International Financial Centre (DIFC) and regulated by Dubai Financial Services Authority.



# Legal and Judicial

## 15 Chapter

### **Legal System:**

The UAE constitution regulates, among other things, the distribution of legislative powers between the federation and each Emirate. Under the UAE Constitution, federal laws are supreme over the laws of Emirates. Nevertheless, each Emirate is permitted to adopt their own legislation except in the segments the federation has exclusivity. The UAE's legal system is founded upon civil law principles, most of which are influenced by Egyptian law and Islamic Shari'a. UAE legislation, in general, has been divided into various codes that provide civil, commercial, civil procedure, intellectual property, immigration and foreigners residency, maritime, industrial, banking, employment, etc. It is to be noted that there is no system of precedent in the





knowing you



## SERVICES

- AUDIT & ASSURANCE
- BUSINESS ADVISORY & CONSULTING
- TAXATION SERVICES
- ACCOUNTING SERVICES
- COMPANY FORMATION
- COMPLIANCE, RISK MANAGEMENT & ADVISORY SERVICES
- SECURITY SOLUTIONS
- CORPORATE FINANCE, MERGERS & ACQUISITION

## GROUP ENTITIES

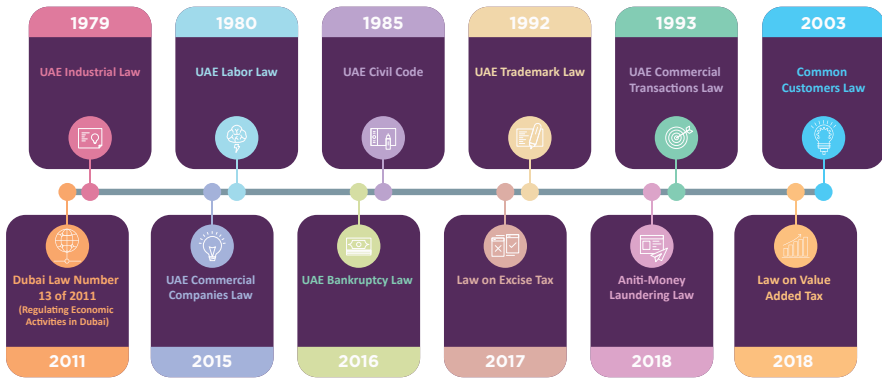


Get In Touch

+971 4 2762233  
info@krestonmenon.com



## Basic Laws Regulating Economic Activities



UAE. However, judgments of higher courts are binding on lower courts and provide useful guidance of future judicial interpretation.

### Judicial and Courts System:

The Judicial systems in UAE is a combination of federal level and Emirate level courts, however, depending on which system the Emirate has opted. Each Emirate is entitled to either establish its own judiciary or merge with the federal court system. The judicial systems of Sharjah, Ajman, Fujairah and Umm al-Quwain have merged into the UAE Federal Judicial Authority, while Dubai, Ras al-Khaimah and Abu Dhabi, have retained their own independent and autonomous local judicial systems. In terms of judicial hierarchy, the judicial systems are divided into courts of first instance, courts of appeal and courts of cassation.

The UAE Federal Supreme Court based in Abu Dhabi, is the highest court in the federal judicial system. This court is also

commonly referred to as the UAE Supreme Court of Cassation, and acts as, among other things, a constitutional court and the court of cassation for those Emirates that have merged into the federal system. The Supreme Court also involves in settling disputes between the Emirates. On the other hand, the local judicial systems of the Emirates of Dubai, Abu Dhabi and Ras al-Khaimah have their own courts of cassation, entirely separate and distinct from the Supreme Court of Cassation. In addition to the federal and local courts, the Dubai International Financial Center (DIFC) has established its own courts based on English Laws. The DIFC courts have jurisdiction for settling civil and commercial matters related to contracts concluded or performed within DIFC, insolvency of entities registered in DIFC, inheritance matters related to non-Muslims and matters related to disputes between parties who have opted these courts for such purpose.



# Taxation

## (Excise Tax, Value Added Tax)

### Excise Tax

Excise tax was introduced across the UAE in 2017. It is a form of indirect tax levied on specific goods which are typically harmful to human health or the environment. These goods are referred to as “excise goods”. When considering whether a product is an excise good, the following definitions apply:

- Carbonated drinks include any aerated beverage except for unflavoured aerated water. Also considered to be carbonated drinks are any concentrations, powder, gel or extracts intended to be made into an aerated beverage.
- Energy drinks include any beverages which are marketed, or sold as an energy drink and containing stimulant substances that provide mental and physical stimulation, which includes without limitation: caffeine, taurine, ginseng and guarana. This also includes any substance that has an identical or similar effect as the aforementioned substances. Also considered to be

# 16 Chapter

energy drinks are any concentrations, powder, gel or extracts intended to be made into an energy enhancing drink.

- Tobacco and tobacco products include all items listed within Schedule 24 of the GCC Common Customs Tariff.

From 1 December 2019, the authority started to levy excise tax on:

- electronic smoking devices and tools
- liquids used in such devices and tools
- sweetened drinks

### Rate of Excise Tax

According to Cabinet Decision No. 52 of 2019 on Excise Goods, Excise Tax Rates and the Methods of Calculating the Excise Price, the rate of excise tax is as follows:

- 50 percent on carbonated drinks
- 100 percent on tobacco products
- 100 percent on energy drinks
- 100 percent on electronic smoking devices
- 100 percent on liquids used in such devices and tools
- 50 percent on any product with added sugar or other sweeteners

### Value Added Tax (VAT)

VAT is a tax on the consumption or use of goods and services levied at each point of sale. VAT is a form of indirect tax and is levied in more than 180 countries around the world. The end-consumer ultimately bears the cost. Businesses collect and account for the tax on behalf of the government.

VAT was introduced in the UAE on 1 January 2018. The rate of VAT is 5 percent. It provided the UAE with a new source of income. A business must register for VAT if its taxable supplies and imports exceed AED 375,000 per annum while it is optional for businesses whose supplies and imports exceed AED 187,500 per annum. A business house pays the government, the tax that it collects from its customers. At the same time, it receives a refund from the government on tax that it has paid to its suppliers. Foreign businesses may also recover the VAT they incur when visiting the UAE. VAT applies equally on tax-registered businesses managed on the UAE mainland and in the free zones. However, if the UAE Cabinet defines a certain free zone as a 'designated zone', it must be treated as outside the UAE for tax purposes. The transfer of goods between designated zones are tax-free.

At the end of each tax period, VAT registered businesses or the 'taxable persons' must submit a 'VAT return' to the Federal Tax Authority (FTA). A VAT return summarises the value of the supplies and purchases a taxable person has made during the tax period, and shows the taxable person's VAT liability.

### Liability of VAT

The liability of VAT is the difference between the output tax payable (VAT

charged on supplies of goods and services) for a given tax period and the input tax (VAT incurred on purchases) recoverable for the same tax period. Where the output tax exceeds the input tax amount, the difference must be paid to FTA. Where the input tax exceeds the output tax, a taxable person will have the excess input tax recovered; he will be entitled to set this off against subsequent payment due to FTA.

### Filing of VAT Return

VAT return is filed electronically through the FTA portal. Taxable businesses must file VAT returns with FTA on a regular basis and usually within 28 days of the end of the 'tax period' as defined for each type of business. A 'tax period' is a specific period for which the payable tax shall be calculated and paid. The standard tax period is:

- (a) quarterly for businesses with an annual turnover below AED 150 million.
- (b) monthly for businesses with an annual turnover of AED 150 million or more.

The FTA may, at its choice, assign a different tax period for certain type of businesses. Failure to file a tax return within the specified time frame will make the violator liable for fines.



SECTION – 2

**Doing Business in  
FREE ZONES**

## Introduction of Free Zones in UAE

Free Zones are special economic zones that offer customs duty benefits and tax concessions to investors and they are each governed by a special framework of rules and regulations. They are designed to encourage foreign investment with 100% ownership for all nationalities along with easier start-up processes, labor and immigration procedures, and other legal services.

Dubai attracts businesses from all around the world and its many Free Zones have been integral to this success story. Dubai's Free Zones are spread out around the city and cater to every type of company from small start-ups to large multinational corporations and re-exporters, offering convenient access to Dubai's world-class logistics and supply-chain infrastructure to make selling around the region and world as easy as possible. There are currently 26 Free Trade Zones functioning in Dubai which contribute to 33% of the GDP of the Emirate with an economic value of AED 135 billion (USD 36.79 billion).



## The Dubai Free Zones Council (DFZC)

DFZC aims to drive the development of free zones in Dubai in order to attract investments and create an enabling environment for boosting diverse areas of the national economy, such as industry, trade, tourism and services. Furthermore, it seeks to enhance collaboration between the free zones, building synergies based on the exchange of knowledge and best practices. The council's efforts support Dubai Government's strategic plans and contribute to establishing the Emirate as a leading global investment destination.



# 1. Jebel Ali Free Zone (Jafza)





Location	Jebel Ali
Established	1985
Distance from DXB Airport	40 Kms
Size of the Zone	100,000,000 sq m (North); 50,000,000 sq m (South)

Facilities Offered	Office Units		Workstation	Warehouse/ Light Industrial Units	Plot of land
	Standard Unit	Multi - Storeyed			
-	26.88 m2	Minimum 30 sq m	-	313- 1,100 sp m	Minimum 5,000 sq m
Rent Per Annum	AED 1,800 / sq m  USD 490.46 / sq m	AED 1,900 - 2,200 / sq m  USD 517.71 - 599.45 / sq m	AED 30,000  USD 8,174.38	AED 600 - 700 / sq m  USD 163.48 - 190.73 / sq m	AED 20 - 80 / sq m  USD 5.44 - 21.79 / sq m
Insurance	AED 100  USD 27.24	AED 4 / sq m  USD 1.08	AED 100  USD 27.24	AED 300  USD 81.74	To be arranged by the investor
Lease Period	1 year annually renewable		1 year annually renewable	1 year annually renewable	Up to 15 years; renewable
Name Plate	AED 500  USD 136.23		N.A.	AED 500  USD 136.23	N.A.

Types of companies which can be formed	Branch of a foreign company including Offshore Company	Branch of a UAE company	Free Zone Establishment (FZE)	Free Zone Company (FZCO)	Public Listed Company (PLC)
Capitalization	-	-	Entity must be capitalized with an amount covering initial year's expenses	Entity must be capitalized with an amount covering initial year's expenses	Capitalization as per the project and external Regulatory Authority's requirements
No. of Shareholders	-	-	1	Minimum 2 Maximum 50	Minimum 2 No maximum
Formation Fee	AED 5,000  USD 1,362.39	AED 5,000  USD 1,362.39	AED 5,000  USD 1,362.39	AED 5,000  USD 1,362.39	-

# Invest in Dubai

Your gateway to the world capital of ambition



Invest in Dubai saves you time and stress



You reduce the numbers of visits and paperwork required to get your business started in Dubai



Get your trade license in less than a few minutes

Or call us on  
**600 500 006**

To start your business today visit  
**INVEST.DUBAI.AE**

Types of licenses issued	Trading		General Trading	Service	Logistics (Service)	Industrial	e Commerce & Holding Company
	Upto 7 products from one group	Upto 12 products from two groups					
License fee (per annum)	AED 5,000	AED 8,500	AED 15,000	AED 5,000	AED 15,000	AED 5,000	AED 30,000
	USD 1,362.39	USD 2,316.07	USD 4,087.19	USD 1,362.39	USD 4,087.19	USD 1,362.39	USD 8,174.39

Activities allowed	<ul style="list-style-type: none"> <li>• General Trading Licence is issued subject to certain conditions.</li> <li>• A company can obtain additional licence with different activities and operate under different name.</li> </ul>
Company formation period	20 - 30 days
Other Info	<ul style="list-style-type: none"> <li>• Sublease of leased land is allowed subject to conditions.</li> <li>• Warehouse units and buildings constructed on leased land are subject to a Public Health Levy which is charged at 2% on annual rental at a maximum of AED 10,000 (USD 2,725).</li> <li>• 5% of office and warehouse rental is charged as one-time deposit.</li> <li>• For factories, fee for Industrial Effluent Disposal shall be AED 25,000 (USD 6,812) for the first connection, then calculated at AED 5.00 (USD 1.36) per 1000 imperial gallons, for discharge into the marine environment using Free Zone drainage lines.</li> <li>• Industrial license holding companies should hold separate license for trading activity.</li> <li>• JAFZA has created 8 industry specific zones in the South Zones viz., Dubai Distribution Centre, Digital Valley, Construction Square, Pharma-Med Park, Chemical &amp; Plastic Field, Paper Pack Zone, Fragrance &amp; Beauty Park, Food &amp; Beverage Park.</li> </ul>



## 2. JAFZA Offshore Company



Jafza Offshore Companies are special status non-resident companies formed as per the Jafza Offshore Companies Regulations 2018. The offshore companies' shares may be subscribed by individuals or corporate bodies both residents and non-residents of UAE. Such type of companies can be used as special purpose vehicles for commercial investment & owning freehold properties in UAE.

Legislation	Jafza Offshore Company Regulations 2018
Date of first Enactment	15 January 2003
Company Status	Limited Liability
Shareholders	Minimum 1

Suffix to the Name	Limited
Capital Structure	Decided by the Shareholders
Shares	Must be fully paid up when allotted. No Bearer Shares allowed. All shares must be of same class.
Administration	Must have a Registered Agent approved by Jafza. Registered office may be in Jafza or in Dubai.
Directors	Minimum 1
Secretary	Must have a secretary
Activities Allowed	<ul style="list-style-type: none"> <li>• Professional contact with legal consultants, lawyers, accountants and auditors.</li> <li>• To hold shareholders' and directors' meeting.</li> <li>• To own properties developed by Master developers such as Nakheel, Emaar, Dubai Properties or other developers approved by the Authority.</li> <li>• To hold a bank account in the UAE.</li> <li>• To engage in General Trading (outside UAE).</li> <li>• To open branch office or representative office in any part of the world.</li> <li>• To become a shareholder in a limited liability company to be formed in Dubai/UAE.</li> <li>• To become a shareholder in any other entity formed in UAE or outside UAE or in UAE Free Zones.</li> </ul>
Activities Restricted	<ul style="list-style-type: none"> <li>• To carry on banking, financial, insurance, reinsurance, insurance agent or insurance broker.</li> <li>• To carry out any trading activity in the free zone or in the UAE.</li> <li>• To carry out professional services, consulting services or activities related to intellectual property, media, security, publishing, advertising, movie production, management, gambling, casino, property development, game and win, advisory, real estate, military and education.</li> </ul>
Registration	The Registrar is the final authority to accept or reject the application for registration. Upon registration, offshore company registration number will be allotted and incorporation certificate will be issued.
Registration Fee	AED 10,000 USD 2,725
Renewal	Registration must be renewed annually with a fee of AED 2,500 (USD 681)
Corporate Documents	Incorporation Certificate, Memorandum & Articles of Association, List of Directors, Share Register.



### 3. Dubai Airport Free Zone (DAFZA)



Location	Adjacent to Dubai International Airport
Established	1996
Size of the Zone	1,200,000 sq m
Regulated by	Dubai Integrated Economic Zones Authority

Facilities Offered	Warehouse / Light Industrial Units Area of Units: 350 sq m	Office Units	Smart Package offer	Business Office 12 sq m - 15 sq m
Rental per annum	AED 451,070 USD 122,824	AED 2,400 / sq m USD 652 / sq m	AED 38,620 USD 10,517	AED 59,500 USD 16,201
Lease Period	1 year renewable	1 year renewable	1 year renewable	1 year renewable

Types of companies which can be formed	Branch of a Foreign company	Branch of a UAE Company	Free Zone Company (FZCO)	Public Limited Company (PLC)
Capitalization	-	-	AED 1,000 USD 272.48	Minimum Share Capital AED 250,000 USD 68,112
No. of Shareholders	-	-	Minimum 1 Maximum 50	Minimum 1
Formation Fee	-	-	AED 15,000 USD 4,090	AED 25,000 USD 6,812

Types of licenses issued	Trading	E Commerce	Service	Industrial
License fee	AED 15,000 USD 4,088	AED 15,000 USD 4,088	AED 15,000 USD 4,088	AED 15,000 USD 4,088

Activities allowed	Licenses are issued based on business activities such as trading, services, professional light industries.
Port facilities	All Ports in Dubai
Company formation period	20 - 30 days

### Dubai Integrated Economic Zones Authority:

As a latest strategic approach Dubai Airport Free Zone, Dubai Silicon Oasis and Dubai CommerCity will operate under the supervision of Dubai Integrated Economic Zones Authority (DIEZA). The creation of the integrated body is to introduce frameworks for further improving services provided to businesses and investors, which in turn will help accelerate economic growth. DIEZA will also focus on promoting the Emirate's economic competitiveness in retail, technology, Islamic economy, e-commerce, industrial, logistics and shipping sectors, while also supporting small and medium enterprises.



## 4. Dubai Silicon Oasis (DSO)



Location	Silicon Oasis Township
Established	2004
Distance from DXB Airport	25 km
Size of the Zone	7.2 million sq m
Regulated by	Dubai Integrated Economic Zones Authority

Facilities Offered	Office Spaces in Dubai Digital Park	Highbay Warehouse	Light Industrial Units	Plot of Land
		300 sq m - 500 sq m	360 sq m (200 sq m Warehouse + 160 sq m Office space)	Different size
Rental per annum	AED 1,160 - 1550 / sq m  USD 316 - 422 / sq m	AED 83 / sq f  USD 22.62 / sq f	AED 680 / sq m  USD 185.29 sq m	Rate varies according to size of plot and location
Lease Period	Flexible but minimum 1 year	Flexible but minimum 1 year	Flexible but minimum 1 year	Long Term



Types of companies which can be formed	Branch of a foreign company	Branch of a UAE Company	Free Zone Establishment (FZE)	Free Zone Company (FZCO)
Capitalization	-	-	AED 100,000 USD 27,248	AED 10,000 / share USD 2,725 / share
No. of Shareholders	-	-	1	Minimum 2
Formation Fee	-	-	AED 6,900 USD 1,880	AED 6,900 USD 1,880

Types of licenses issued	Service License	Trade License	General Trading	Industrial License
License fee	AED 12,000 USD 3,270	AED 12,000 USD 3,270	AED 30,000 USD 8,174	AED 12,000 USD 3,270

Activities allowed	Trading, Service, Industrial
Port facilities	All ports in Dubai
Company formation period	20 - 30 days
Other Info	<ul style="list-style-type: none"> <li>• If an investor wishes to operate from facility developed by a private developer within the freehold/leasehold areas of DSO, then application for registration shall be submitted at the administrative zone. Fee for obtaining business operation permit for companies having DED licence is AED 10,520 (USD 2,866).</li> <li>• Dtec offers complete business setup including simplified service license and visa procedures, eligibility for five activities per license which adds the value to their business, 24/7 access, 365 days a year, features high speed Wi-Fi, sleeping pod, shower room, walking track, a fun slide, surrounded by 900+ Tech companies, meeting spaces, onsite cafe, plenty of parking, a games room, free tea &amp; coffee, silent room, closed phone booth, corporate lab spaces, access to events and workshops, storage lockers &amp; printing.</li> <li>• DSO offers office units in Technohub2 also and the rate of rental varies according to the size of the facility leased.</li> </ul>



## 5. Dubai CommerCity

دبي كوممر سيتي  
DUBAI COMMER CITY



Dubai CommerCity is the first and leading free zone dedicated exclusively to e-commerce in the Middle East Africa and South Asia (MEASA) region. The free zone is perfectly placed to benefit from the expected e-commerce growth in the region that is outpacing the global growth average.

Location	Umm Ramool
Established	2021
Size of the Zone	2,100,000 sq f
Regulated by	Dubai Integrated Economic Zones Authority

Facilities Offered	Fitted Offices	Shell & Core	Smart Desk	Warehouse 368 sq m
Rental/sq m	AED 1,850 USD 504	AED 1,350 / sq m USD 368 / sq m	AED 18,818 / Year USD 5,128 / Year	AED 600 / sq m USD 163.48 /sq m

Types of companies which can be formed	Branch of a Foreign company	Branch of a UAE Company	FZCO
Capitalization	-	-	No minimum
No. of Shareholders	-	-	1 - 50

Formation Fee	AED 5,000 USD 1,362
Types of licenses issued	E-commerce License
License fee	AED 7,000 USD 1,970
Activities allowed	Trading and Distribution
Port facilities	All ports in Dubai
Company formation period	20 - 30 days
Other Info	<ul style="list-style-type: none"> <li>• Facilities are subject to 12.5% service charge.</li> <li>• Warehouse rent is subject to 10% service charge.</li> <li>• CommerCity facilitates e-commerce strategy consulting, e - commerce, Technology Platform and Services, Warehousing and last mile delivery and e - commerce business support services.</li> </ul>



## 6. Dubai Multi Commodities Centre (DMCC)



Location	Jumeirah Lakes Towers (JLT)
Established	2002
Distance from DXB Airport	35 km from Dubai International Airport
Size of the Zone	1,800,000 sq m

Packages Offered	Jump Start Package	Prime Plus Package	Basic Biz Package	JLT Resident Package	Standard Offices (Leasing from third party)
	AED 43,780 USD 11,929	AED 76,100 USD 20,736	AED 35,484 USD 9,668	AED 29,185 USD 7,952	Starting from AED 60 / sq f USD 16.35 / sq f

Types of companies which can be formed	Branch of a Foreign company	Branch of a UAE Company	DMCC Company
Capitalization	-	-	Minimum AED 50,000 Minimum USD 13,623
No. of Shareholders	-	-	Minimum 1
Formation Fee	AED 10,000 USD 2,725	AED 10,000 USD 2,725	AED 10,000 USD 2,725

Types of licenses issued	Service License	Trade License	Industrial License
License fee	AED 20,000 USD 5,450	AED 20,000 USD 5,450	AED 20,000 USD 5,450

Activities allowed	Trading, Service, Light Industrial
Port facilities	All ports in Dubai
Company formation period	20 - 30 days
Other Info	Companies licensed in DMCC can now lease warehouse in Jebel Ali Free Zone without registration in Jafza through the arrangement with DP World.



## 7. Dubai Internet City

@ DUBAI  
INTERNET  
CITY



Location	Sheikh Zayed Road
Established	2004
Distance from DXB Airport	30 km
Regulated by	Dubai Development Authority

Facilities Offered	Desk	Business Centre	Core and Shell
Rental per annum	AED 35,000	AED 96,000	AED 175 / sq f
	USD 9,537	USD 26,158	USD 47.41 / sq f
Lease Period	1 year annually renewable	1 year annually renewable	1 year annually renewable

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC (Single Shareholding) Value per share is AED 1,000 USD 273
Capitalization	-	-	AED 50,000 USD 13,624
No. of Shareholders	-	-	1 - 50
Formation Fee	AED 3,500	AED 3,500	AED 3,500
	USD 954	USD 954	USD 954

Types of licenses issued	Service license	Freelance	Internet and Multi Media	Software	Telecommunication and Network	Data Center & IT Services
License fee	AED 15,000	AED 7,500	AED 15,000	AED 15,000	AED 15,000	AED 15,000
	USD 4,087	USD 2,044	USD 4,087	USD 4,087	USD 4,087	USD 4,087

Activities allowed	Software, Internet and Multimedia, Telecommunication and Network, IT Services
Company formation period	20 - 30 days



## 8. Dubai Media City



DUBAI  
MEDIA  
CITY



Location	Sheikh Zayed Road
Established	January 2001
Distance from DXB Airport	30 km
Size of the Zone	300,000 sq m
Regulated by	Dubai Development Authority

Facilities Offered	Commercial Office Spaces	Loft Offices	Boutique Offices (Exclusive Offices in Private Villas) Entire Villa 5772 sq m / Ground Floor 2533 sq f	Executive Offices in Media Business Centre Availability is in between 120 to 350 sq f	Executive Desk in Media Business Centre
--------------------	--------------------------	--------------	--	---	---



Rental per annum	AED 175 /sq f  USD 47.68 / sq f	AED 135 / sq f  USD 36.82 / sq f	AED 450,000 AED 550,000  USD 122,616 USD 149,864	AED 350 sq f  USD 95 sq f	AED 22,000  USD 5,995
Lease Period	1 year annually renewable	1 year annually renewable	1 year annually renewable	1 year annually renewable	1 year annually renewable

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC (Single Shareholding) Value per share is AED 1,000 USD 273	FZ LLC (Multiple Shareholding) Value per share is AED 1,000 USD 273
Capitalization	-	-	AED 50,000 USD 13,624	AED 50,000 USD 13,624
No. of Shareholders	-	-	One	Minimum Two
Formation Fee	AED 3,500 USD 954	AED 3,500 USD 954	AED 3,500 USD 954	AED 3,500 USD 954

Types of licenses issued	Publishing Licence	Broadcasting Licence	Other Licences
License fee	AED 20,000 USD 5,450	AED 25,000 USD 6,812	AED 15,000 USD 4,087

Activities allowed	Business Segments: Broadcasting, Production, Advertising, Public Relations, Recruitment, Music, Publishing, Business Consultancy, News Agency, Post-production, Research etc.
Company formation period	10 - 30 days
Other Info	Entity operating in Media Business Centre Executive Office requires to pay a Joining Fee of AED 5,000 (USD 1,362) and Security Deposit of AED 10,000 (USD 2,725)  Freelance Permit allows an individual to operate as a sole practitioner and enables him to conduct the activity in his birth name as opposed to brand name.  A Freelancer can use the 'Hot Desk' facility of Media Business Centre and total cost for the facility shall be AED 24,000 (USD 6,540) which includes fee for freelance permit, visa and a refundable deposit of AED 5,000 (USD 1,362).



## 9. Dubai Knowledge Park

 DUBAI  
KNOWLEDGE  
PARK



Location	Sheikh Zayed Road
Established	2003
Distance from DXB Airport	30 km
Regulated by	Dubai Development Authority

Facilities Offered	Office
Rental per annum	AED 175 / sq f USD 47.41 / sq f
Lease Period	1 year annually renewable

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC
Capitalization	-	-	AED 50,000 USD 13,644
No. of Shareholders	-	-	1 - 50
Formation Fee	AED 3,500 USD 954	AED 3,500 USD 954	AED 3,500 USD 954
License fee	AED 7,500 - 15,000 (depends on the activity) USD 2,044 - 4,087		

Types of licenses issued	Service license, Education
Activities allowed	Executive Search, Human Resource Management, Content Development, Training, Human Resource Consultancy
Company formation period	20 - 30 days



## 10. Dubai International Academic City

 DUBAI  
INTERNATIONAL  
ACADEMIC  
CITY



Location	Warsan
Established	2007
Distance from DXB Airport	23 km
Size of the Zone	11.98 sq. km
Regulated by	Dubai Development Authority

Facilities Offered	Commercial Offices	Business Center/ Executive Office	Land	Retail
Rental per annum	AED 110 / sq f USD 29.97 / sq f	AED 36,000 USD 9,809	AED 8 -10 / sq f USD 2.18 - 2.72 / sq f	AED 130 USD 35.42
Lease Period	1 year annually renewable	1 year annually renewable	Longterm	1 year annually renewable

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC
Capitalization	-	-	AED 50,000 USD 13,634
No. of Shareholders	-	-	1 - 50
Formation Fee	AED 3,500 USD 954	AED 3,500 USD 954	AED 3,500 USD 954

License Fee	AED 15,000 USD 4,087
-------------	-------------------------

Types of licenses issued	Service license, Education
Activities allowed	Higher Education Provider, Universities, Non-Academic Service Provider, Branch Schools, Boarding Schools, Freelancers
Company formation period	20 - 30 days



## 11. Dubai Studio City



Location	Sheikh Mohammad Bin Zayed Road
Established	2004
Distance from DXB Airport	37 km
Size of the Zone	490,000 sq f
Regulated by	Dubai Development Authority

Facilities Offered	Commercial Space
Rental per annum	AED 100 - 105 / sq f USD 27.25 - 28.61 / sq f
Lease Period	1 year

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC
Capitalization	-	-	AED 50,000 - 1,000,000 USD 13,624 - 272,480
No. of Shareholders	-	-	1 - 50
Formation Fee	AED 3,500 USD 954	AED 3,500 USD 954	AED 3,500 USD 954
License fee	AED 15,000 - 40,000 (depends on the activity) USD 4,087 - 10,899 (depends on the activity)		

Types of licenses issued	Service license	Broadcasting License
Activities allowed	Broadcasting TV, Broadcasting Radio, Support Services, Animation, Film Production and Support Services, Music, Entertainment, Recreation Activities.	
Company formation period	20 - 30 days	
Other info	Studio City offers Boutique Studios, Rental Space, Light Industrial Units, Warehouse, Sound Stages in addition to Commercial space and the lease terms varies according to the type and size of facility leased.	



## 12. Dubai Science Park

**DDA** DUBAI  
SCIENCE  
PARK



Location	Barsha
Established	2005
Distance from DXB Airport	33 km
Size of the Zone	3,000,000 sq m
Regulated by	Dubai Development Authority



Facilities Offered	Commercial Space		Laboratories	Warehouse	Land
Rental per annum	Shell & Core AED 115 / sq f  USD 31.33 / sq f	Fitted AED 135 / sq f  USD 36.78 / sq f	AED 150 / sq f  USD 40.87 / sq f	AED 60 / sq f  USD 16.34 / sq f	AED 9 / sq f  USD 2.45 / sq f
Lease Period	1 year				

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC
Capitalization	-	-	AED 50,000 USD 13,624  For activities within manufacturing segment AED 300,000 USD 81,744
No. of Shareholders	-	-	1 - 50
Formation Fee	AED 3,500  USD 954	AED 3,500  USD 954	AED 3,500  USD 954

Activities allowed	Therapeutics, Diagnostics, Agricultural, Forestry, Horticulture, Food, Environment, Specialty Supplies, Life Science, Biomedical
Company formation period	20 - 30 days
License fee	AED 15,000 - 25,000 depends on the activity  USD 4,087- 6,812 depends on the activity
Other Info	<ul style="list-style-type: none"> <li>• Desk space is also available at a fee of AED 25,000 - 35,000 (USD 6,812- 9,537) per annum.</li> <li>• Furnished &amp; serviced offices are available at a fee of AED 56,000 (USD 14,714) to AED 72,000 (USD 19,617) and the office sizes are between 100 sq f to 200 sq f.</li> </ul>



## 13. Dubai Outsource City



DUBAI  
OUTSOURCE  
CITY



Location	Warsan
Established	2007
Distance from DXB Airport	23 km
Size of the Zone	11.98 sq km
Regulated by	Dubai Development Authority

Facilities Offered	Commercial Space
Rental per annum	AED 100 / sq m USD 27.24 / sq m
Lease Period	1 year

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC
Capital-cash physical	-	-	AED 300,000 USD 81,744
No. of Shareholders	-	-	1 - 50

Formation Fee	AED 3,500 USD 954
License fee	AED 15,000 USD 4,087

Types of licenses issued	Service license		
Activities allowed	Business Process Outsourcing, HR Outsourcing, IT Outsourcing, Back Office and Call Centers		
Company formation period	20 - 30days		



## 14. Dubai Production City



Location	Sheikh Mohammad Bin Zayed Road
Established	2003
Distance from DXB Airport	44 km
Size of the Zone	43,000,000 sq f
Regulated by	Dubai Development Authority

Facilities Offered	Office	Warehouse	Industrial Land
Rental per annum	AED 90 / sq f USD 24.52 / sq f	AED 45 / sq f USD 12.26 / sq f	AED 4.8 / sq f USD 1.30 / sq f
Lease Period	1 year		

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC (In accordance to the activity)
Capitalization	-	-	AED 50,000 - 100,000 USD 13,624 - 27,248
No. of Shareholders	-	-	1 - 50
Formation Fee	AED 3,500 USD 954	AED 3,500 USD 954	AED 3,500 USD 954

Types of licenses issued	Service license	Manufacturing
License fee	AED 15,000 - 25,000 USD 4,087 - 6,812	AED 25,000 USD 6,812

Activities allowed	Media production, printing, publishing and packaging
Company formation period	20 - 30 days



## 15. Dubai Design District



Location	Close to Mohammad Bin Rashid City
Established	2013
Distance from DXB Airport	16 km
Size of the Zone	15,500,000 sq f
Regulated by	Dubai Development Authority

Facilities Offered	Commercial Space
Rental per annum	AED 180 / sq f USD 49 / sq f
Lease Period	1 year

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC
Capitalization	-	-	AED 100,000 USD 27,248
No. of Shareholders	-	-	1 - 50
Formation Fee	AED 3,500 USD 954	AED 3,500 USD 954	AED 3,500 USD 954

Types of licenses issued	Service license	Freelance
License fee	AED 15,000 - 20,000 USD 4,087 - 5,450	AED 7,500 USD 2,044

Activities allowed	Sales and Marketing, Modeling Agency, Art Gallery, Design Consultancy, Studio Space, Performing Arts Management, Tailoring.
Company formation period	20 - 30 days



## 16. Dubai Healthcare City



Location	Oud Metha
Established	2002
Distance from DXB Airport	7 km
Size of the Zone	20,000,000 sq f
Regulated by	Dubai Healthcare City Authority (Center for Healthcare Planning & Quality)



Facilities Offered	Commercial Space [Clinics, Offices, Retail]
Rental per annum	Commercial: AED 1,800 / sq m USD 490 / sq m  Clinics: AED 1,500 /sq m USD 408.72 / sq m  Retail: AED 2,000 / sq m USD 545 / sq m
Lease Period	1 year

Types of companies which can be formed	Branch of a Foreign Company (Parent company should be in existence for minimum 2 years)	Branch of a UAE Company including Entities established in other UAE Free Zones	FZ LLC
Capitalization	-	-	Hospitals: AED 1,000,000 USD 272,480  Clinical Outpatient Segment: AED 300,000 USD 81,744  Other Activities: AED 50,000 USD 13,624

Formation Fee	AED 3,500  USD 954
License fee	AED 15,000 - 25,000 depends on the activity  USD 4,087 - 6,812 depends on the activity

Activities allowed	Conventional Medical Services, Complementary and Alternative Medicine, Medical Education and Research, Healthcare Commercial Services, Hospitals, Labs, Support Services.
Company formation period	20 - 30 days



## 17. Dubai Logistics City



Location	Al Maktoum International Airport, Dubai South
Established	2010
Distance from DXB Airport	57 km
Size of the Zone	140 sq km (Dubai South Development)

Facilities Offered	Smart Desk / Permanent Smart Desk	Smart Office	Office	Warehouse	Plot of Land
Rental per annum	AED 21,985 / AED 27,985 USD 5,990 / USD 7,625	AED 29,485 USD 8,034	AED 32,410 - 42,985 USD 8,831 - 11,713	AED 240 / sq m onwards USD 65 / sq m onwards	AED 38 - 40 / sq m USD 10.35 - 10.90 / sq m

Types of companies which can be formed	Branch of a Foreign company	Branch of a UAE Company	DWC - LLC
Capitalization	-	-	Minimum AED 300,000 USD 81,743
No. of Shareholders	-	-	Minimum 1
Formation Fee	AED 1,000 USD 273	AED 1,000 USD 273	AED 1,000 USD 273

Types of licenses issued	Service License	Commercial License	Industrial License	Education License	General Trading License
License fee	AED 10,000 USD 2,725	AED 10,000 USD 2,725	AED 10,000 USD 2,725	AED 10,000 USD 2,725	AED 20,000 USD 5,450

Activities allowed	Shipping & Logistics, Warehousing, Trading, Service, Professional
Port facilities	All Ports in Dubai
Company formation period	20 - 30 days
Other Info	<ul style="list-style-type: none"> <li>• Customs Broking activities permitted only for branch of UAE entities.</li> <li>• Smart desk, permanent smart desk and smart office packages are available with 2 to 3 years lease providing substantial discounts. The packages include lease, license, establishment card and setup fee.</li> <li>• Freelancer's Permit is issued with a fee of AED 7,000.</li> </ul>



## 18. Dubai Aviation City



Location	Al Maktoum International Airport, Dubai South
Established	2006
Distance from DXB Airport	57 km
Size of the Zone	140 sq km (Dubai South Development)

Facilities Offered	Smart Desk / Permanent Smart Desk	Smart Office	Office	Warehouse	Plot of Land
Rental per annum	AED 21,985/ AED 27,985  USD 5,990/ USD 7,625	AED 29,485  USD 8,034	AED 32,410 - 42,985  USD 8,831 - 11,713	AED 240 / sq m onwards  USD 65 / sq m onwards	AED 38 - 40 / sq m  USD 10.35 - 10.90 / sq m

Types of companies which can be formed	Branch of a Foreign company	Branch of a UAE Company	DWC - LLC
Capitalization	-	-	Minimum AED 300,000  USD 81,743
No. of Shareholders	-	-	Minimum 1
Formation Fee	AED 1,000  USD 273	AED 1,000  USD 273	AED 1,000  USD 273

Types of licenses issued	Service License	Commercial License	Industrial License	Education License	General Trading License
License fee	AED 10,000  USD 2,725	AED 10,000  USD 2,725	AED 10,000  USD 2,725	AED 10,000  USD 2,725	AED 20,000  USD 5,450

Activities allowed	Aviation related activities, Specified light manufacturing, General Trading, Service, Consultancy, Education specialized
Port facilities	All Ports in Dubai
Company formation period	20 - 30 days
Other Info	<ul style="list-style-type: none"> <li>• Customs Broking activities permitted only for branch of UAE entities.</li> <li>• Smart desk, permanent smart desk and smart office packages are available with 2 to 3 years lease providing substantial discounts. The packages include lease, license, establishment card and setup fee.</li> <li>• Freelancer's Permit is issued with a fee of AED 7,000.</li> </ul>



## 19. Meydan Free Zone

ميدان  
meydan



Location	Mohammed Bin Rashid Al Maktoum City
Established	2013
Distance from DXB Airport	20 km

Facilities Offered	License Package (per annum)	Office (Rental per annum)
Fee	AED 12,500 (No visa eligibility) USD 3,406	AED 15,000 - 60,000 USD 4,087 - 16,349  AED 1,850 for each visa allocation USD 504
Lease Period	1 year	1 year

Types of companies which can be formed	Branch of a UAE Company	FZ (Sole Establishment)	LLC - FZ (Limited Liability Company)
Capitalization	Entity must be capitalized with an amount covering initial year's expenses	-	Entity shall be capitalized with an amount covering at least first year's expenses
No. of Shareholders	-	1	1 - 50

Activities allowed	Commercial, Professional, Services, Holding Company
Port facilities	All ports in Dubai
Company formation period	20 - 30 days
Other Info	<ul style="list-style-type: none"> <li>Investor is permitted to have trading, service activities in a single license.</li> <li>Under the license package option a company is eligible for 6 employment visas. When the company leases a physical office and intends to have visas in excess of the permitted number of 6, then it must be justified by submitting a business plan and other supporting documents.</li> </ul>



## 20. Dubai World Trade Center Free Zone



Location	Dubai World Trade Center & Convention Center
Established	2015
Distance from DXB Airport	10 km
Size of the Zone	1,000,000 sq f



Facilities Offered & Pricing	Hot Desk Package	Executive Office Package	
		Commercial, Professional, Event Management	General Trading
Rental per annum	AED 25,050	AED 42,800	AED 42,800
	USD 6,826	USD 11,662	USD 11,662
Lease Period	1 year		

Types of companies which can be formed	Branch of a foreign company	Branch of a UAE Company	FZE	FZCO
Capitalization	-	-	AED 1,000  USD 272 (In accordance to the estimated expenses in the initial years)	AED 1,000  USD 272 (In accordance to the estimated expenses in the initial years)
No. of Shareholders	-	-	1	2 - 9
Formation Fee	AED 2,000  USD 545	AED 2,000  USD 545	AED 2,000  USD 545	AED 2,000  USD 545

Types of licenses issued	Commercial License	Professional License	General Trading License	Event Management License
License fee	AED 3,000  USD 817	AED 3,000  USD 817	AED 15,000  USD 4,087	AED 3,000  USD 817

Activities allowed	Trading, Service, Professional, Consulting.
Port facilities	All ports in Dubai
Company formation period	20 - 30 days
Other info	Free Zone offers conventional office facilities and lease terms depend on the size of the office unit leased and the nature of activity.



## 21. International Humanitarian City



Location	Jebel Ali
Established	2010
Distance from DXB Airport	68 km
Size of the Zone	90,000 sq m

Facilities Offered	Standard Offices		Business Center		Showrooms		Warehouses	
	NPO	Commercial	NPO	Commercial	NPO	Commercial	NPO	Commercial
Rental per annum	AED 18,274	AED 32,064	AED 11,250	AED 20,800	AED 269/sq m	AED 376/sq m	AED 269/sq m	AED 376/sq m
	USD 4,979	USD 8,737	USD 3,065	USD 5,668	USD 73/sq m	USD 102.45/sq m	USD 73/sq m	USD 102.45/sq m

Lease Period	1 year
--------------	--------

Types of companies which can be formed	Branch of a Foreign company	Branch of a UAE Company	FZ - LLC
Capitalization	-	-	No minimum
No. of Shareholders	-	-	1 - 50
Formation Fee	-	-	AED 1,000 USD 272.48 [No formation fee for registering Humanitarian Organization]

Types of licenses issued	Commercial License	Humanitarian Organization
License fee	AED 8,500 USD 2,316	AED 5,000 USD 1,362

Activities allowed	Humanitarian Aids Relief, Humanitarian Development Services, Environment & Natural Resources
Port facilities	All ports in Dubai
Company formation period	20 - 30 days



## 22. KIKLABB



Location	Port Rashid - Located inside Queen Elizabeth -II
Established	2019
Size of the Zone	25,000 sq f

Facilities Offered	Offices	Flexi Desk	Co-working Spaces	Virtual Office
--------------------	---------	------------	-------------------	----------------

Cost of Setting up (Package fee)	Starting from AED 18,000  USD 4,904
----------------------------------	--

Types of companies which can be formed	Branch of a Foreign company	Branch of a UAE Company	FZCO
Capitalization	-	-	AED 50,000  USD 13,623
No. of Shareholders	-	-	1 - 50

Types of licenses issued	Professional License	Commercial License	General Trading License
--------------------------	----------------------	--------------------	-------------------------

Activities allowed	Trading, Service, Professional, E-Commerce
Port facilities	All ports in Dubai
Visas	Depends on the facility leased / Package opted
Company formation period	15 - 25 days



## 23. Dubai Textile City



Location	Warsan Area, Dubai
Established	2006
Distance from DXB Airport	16 km
Size of the Zone	6,000,000 sq f

Facilities Offered	Warehouse with Office
Size of facility	300 sq m - 1,100 sq m
Rental per annum	Starting from AED 60,000  USD 16,348
Lease Period	1 year

Types of companies which can be formed	Branch of a UAE Company	Free Zone Company (FZT)
Capitalization	-	AED 100,000  USD 27,250
No. of Shareholders	-	Minimum 2

Types of licenses issued	Commercial License
License fee including formation fee	AED 30,000 USD 8,174  AED 10,000 USD 2,724

Activities allowed	Trading in Textiles and Garments
Port facilities	All ports in Dubai
Visas	Depends on the facility leased
Company formation period	20 - 30 days



## 24. Gold & Diamond Park



Location	Sheikh Zayed Road (Al Quoz)
Established	2001 [revamped in 2011]
Distance from DXB Airport	25 km
Size of the Zone	511,343 sq f



Facilities Offered	Offices	Jewelry Manufacturing Units	Showrooms/Retail Units
Size of facility	500 sq f - 5,000 sq f	333 sq f - 1,900 sq f	1,000 sq f - 7,000 sq f
Rental per annum	Starting from AED 60,000 USD 16,348		
Lease Period	1 year		

Types of companies which can be formed	Branch of a UAE Company	Branch of Foreign Company	Free Zone Company
Capitalization	-	-	AED 100,000 USD 27,250
No. of Shareholders	-	-	Minimum 2

Types of licenses issued	Commercial License	Jewelry Manufacturing
License fee	AED 5,500 USD 1,498	AED 5,500 USD 1,498

Activities allowed	Trading, Designing, Manufacturing, Crafting of Gold and Diamond Jewelry
Visas	Depends on the facility leased
Company formation period	20 - 30 days



## 25. Dubai Cars and Automotive City (Ducamz)



Location	Ras Al Khor
Established	2000
Distance from DXB Airport	10 km
Size of the Zone	8,000,000 sq f

Facilities Offered	Showrooms	Office
Rental per annum	AED 300 per sq f USD 81 per sq f	AED 700 per sq f USD 190 per sq f
Lease Period	1 year	

Types of companies which can be formed	Branch of a UAE Company	Branch of a Foreign Company	Free Zone Company (FZCO)
Capitalization	-	-	AED 100,000 USD 27,250
No. of Shareholders	-	-	Minimum 2

Types of licenses issued	Commercial License
License fee	AED 12,000 USD 3,269
Formation Fee	AED 20,000 (FZCO) USD 5,449 AED 10,000 (Branch) USD 2,725

Activities allowed	Re-export of used cars
Visas	Depends on the facility leased
Company formation period	20 - 30 days



## 26. IFZA



Location	Dubai Silicon Oasis
Established	2020
Size of the Zone	25,000 sq f
Distance from DXB Airport	35 km

Facilities Offered	Offices	Flexi Desk	Co-working Spaces	Virtual Office
--------------------	---------	------------	-------------------	----------------

Cost of Facility	Starting from AED 20,000 Starting from USD 5,450
------------------	---

Types of companies which can be formed	Branch of a Foreign company	Branch of a UAE Company	FZCO
Capitalization	-	-	No minimum
No. of Shareholders	-	-	1 - 50

Types of licenses issued	Professional License	Commercial License	General Trading License
--------------------------	----------------------	--------------------	-------------------------

License fee	AED 13,000 - 30,000 USD 3,542 - 8,174 (depends on the activity)
Activities allowed	Trading, Service, Professional, e-Commerce
Port facilities	All ports in Dubai
Company formation period	15 - 25 days

Steering  
Businesses Through  
**Digital  
Transformation**



**LMS**

Corporate Learning  
Management solution  
[www.ipixlms.com](http://www.ipixlms.com)



**PMS**

Project & Task  
Management Software  
[www.ipixpms.com](http://www.ipixpms.com)



**GRC**

Governance  
Risk & Compliance Audit



**OUR SERVICES**

-  Ecommerce (B2B & B2C)
-  Web & Mobile App Development
-  Enterprise Application Development
-  AI/BI Automation & Analytics
-  Staff Augmentation
-  Customized Business IT Solutions
-  Software Consulting

**Connect with us**



UAE : +971 58 214 8407 +971 42 762 233  
INDIA : +91 9847 927 375, +91 8129 955 723

## Dubai International Financial Centre (DIFC)



Dubai  
International  
Financial  
Centre



DIFC was established to become a free zone for one of the most important financial centres in the Middle East and North Africa. The DIFC came into existence in 2004 with its own laws, regulations, courts and facility for arbitration. It is independent of the civil and commercial laws of the UAE but is still subject to UAE criminal law. Legislations have been enacted to govern the day-to-day requirements and operations of financial institutions, companies and individuals within the DIFC. It is a world class financial

centre and the basic objective is to bridge the gap between world's major financial centres. DIFC was established to be a recognized hub for institutional finance and to be a regional gateway for capital and investment.

The laws are principle-based, allowing for the creation of subsidiary legislation such as regulations and rules. Laws have been enacted which in effect constitute a "commercial code". These laws include the Companies Law, Contract Law, Arbitration



Law and Insolvency Law, among others, administered by the DIFC Authority. Other laws deal with the application of civil commercial laws in the DIFC.

### Structure of the DIFC

The DIFC is also home to a leading international stock exchange which has grown significantly in a short period of time. The exchange NASDAQ Dubai has developed from an equity-focused market to one which now offers a trading platform for structured financial products and equity derivatives. NASDAQ Dubai is also the leading exchange for Sukuk or Islamic bonds.

The DIFC is intended to be a well regulated hub for commercial and investment banks and other financial institutions that wish to take advantage of the wealth of opportunities in the region by providing services in respect of underwriting, mergers and acquisitions, venture capital/private equity, foreign exchange trading, trade finance, capital market and Islamic finance operations.

### Sectors of DIFC

The DIFC is a wholesale financial centre catering primarily to institutional investors. Catering to retail clients is not the primary objective of DIFC. The DIFC focuses on the

following sectors:

- Banking Services
- Capital Markets
- Asset Management & Fund Registration
- Insurance and Reinsurance
- Islamic Finance
- Business Processing Operations
- Ancillary Service Providers

### Uniqueness of DIFC

1. 100 percent foreign ownership
2. Zero percent tax on income and profits
3. Freedom to repatriate capital and profits
4. Most modern operational atmosphere
5. Availability of skilled workforce/ professionals
6. Independent regulatory agency (Dubai Financial Services Authority)
7. US Dollar dominated environment

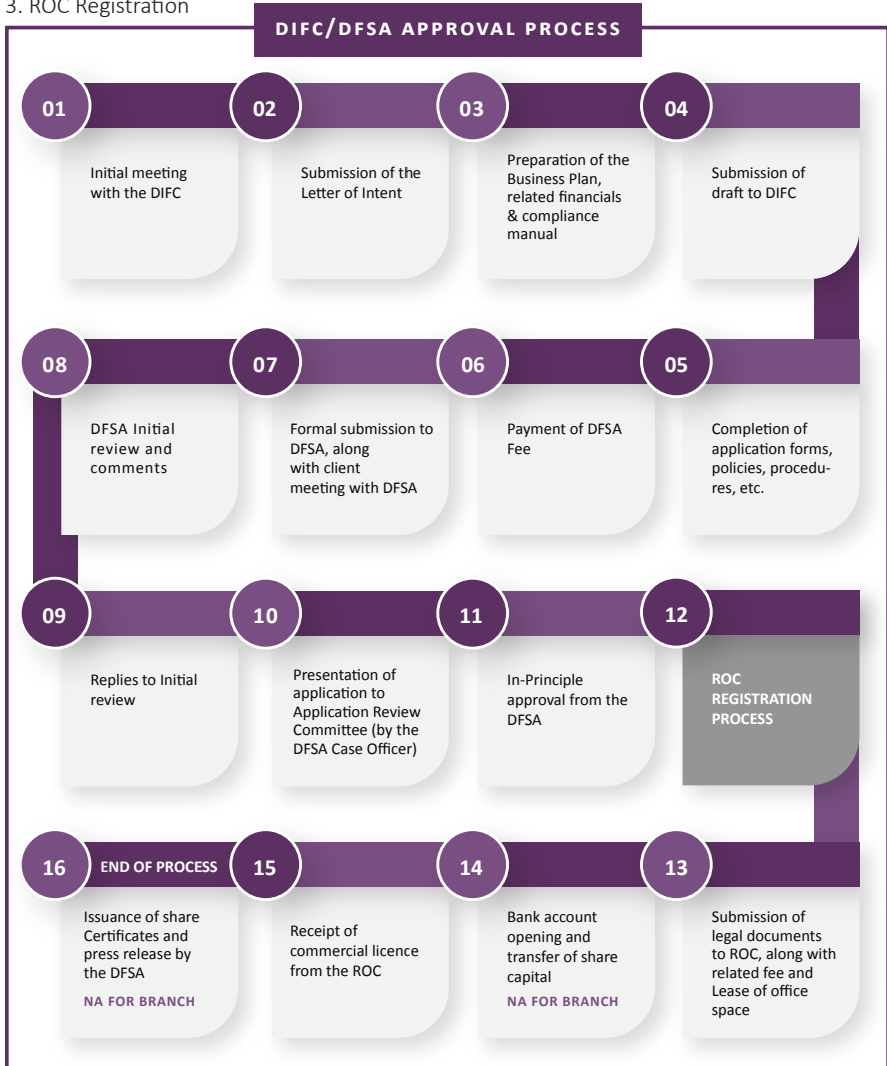




**Process of Setting up**

The process of setting up in DIFC comprises the following three stages:

1. DIFC Review and Approval
2. DSFA Approvals
3. ROC Registration



The overall approach adopted by DIFC and DSFA through the approval process is with respect to ensuring fit & propriety of the business plan, personnel, systems & controls to be adopted by the authorized firm.



## Financial activities that may be carried out within the DIFC

Category 1	Accepting Deposits Managing a PSIAu
Category 2	Dealing in Investments as Principal (not as Matched Principal) Providing Credit
Category 3A	Dealing in Investments as Principal (only as a Matched Principal) Dealing as Agent
Category 3B	Providing Custody (only if for a fund) Acting as the Trustee of a fund
Category 3C	Managing a Collective Investment Fund Managing Assets Providing Trust Services as a trustee of an express trust Managing a PSIAr Providing Custody (other than for a fund)
Category 4	Arranging Deals in Investments Advising on Financial Products Arranging Custody Insurance Intermediation Insurance Management Operating an Alternative Trading System Providing Fund Administration Providing Trust Services other than as a trustee of an express Trust Arranging Credit and Advising on Credit Operating a Crowdfunding Platform
Category 5	An Islamic Financial Institution which Manages a PSIAu

### Dubai Financial Services Authority (DFSA)

DFSA is the independent regulator of financial and ancillary services conducted in and from DIFC. Its independence is guaranteed by law and acts as an independent regulatory covering banking, securities and insurance segments and uses a risk based approach. DFSA follows international standards on financial regulations such as IOSCO, Basel, IAIS & FATF. DFSA's key activities include: Rulemaking and policy development; Drafting financial services legislation; Approvals for financial services entities, Supervision and/or recognition of entities providing financial services in DIFC, including NASDAQ Dubai & Dubai Mercantile Exchange; Enforcing DFSA administered legislation.



## Base Capital Requirement

Category – 1	USD 10 million
Category – 2 [other than those Category Authorized Firms included elsewhere in this table]	USD 2 million
Category – 3A [other than those Category Authorized Firms included elsewhere in this table]	USD 500,000
Category – 3B	USD 4 million
Category – 3C	USD 500,000
Category – 4	USD 10,000
Category – 5	USD 10 million

### Capital Requirements

- The actual ongoing capital requirements of Authorized Firms depend on the nature and volume of the firm's business and the consequent variable risks faced by the firms in related areas. However, under the DFSA laws and regulations, the base capital requirements are set out by DFSA based on the category of the Authorized Firm.
- An Authorized Firm must have, at all times, capital resources of at least the amount of its capital requirement, however, subject to stress testing based on the business scenarios and expense levels.
- An Authorized Firm must have systems and controls enabling it to determine and monitor its capital requirement.
- An Authorized Firm may be required to calculate Credit Risk Capital Requirement and a Market Risk Capital Requirement while calculating its capital adequacy.

### Major Laws, Rules and Regulations in DIFC

#### DIFC Administered Laws

- Employment Law
- Companies Law
- Personal Property Law
- Law of Security
- Real Property Law

- Data Protection Law
- Law on Application of Civil & Commercial Law
- Contract Law
- Insolvency Law
- Arbitration law
- Law of Obligations
- Law of Damages & remedies
- Law relating to Application of DIFC Laws
- Limited Liability Partnership Law
- General Partnership Law
- DIFC Court Law
- Real Estate Law

#### DFSA Administered Laws

- Regulatory Law
- Markets Law
- Law Regulating Islamic Financial Business
- Trust Law
- Investment Trust Law
- Collective Investment Law

#### DFSA Regulations: Rulebook Modules

- General (GEN)
- Authorization (AUT)
- Supervision (SUP)
- Enforcement (ENF)
- Conduct of Business (COB)
- Prudential Insurance (PIN)
- Prudential – Investment, Insurance Intermediation & Banking (PIB)



For more information  
**Scan here!**



## ABOUT MMJS

We started our journey in 2017 in the UAE with a vision to support clients with their Tax, Management and Technology needs. Today, we have expanded our footprint across the GCC and India with over 90 team members, solving complex problems for businesses through tailor-made solutions. Our focus is to enhance the experience of your consulting journey.

MMJS Management Consulting, our group company launched in 2020, focuses on delivering value through strategy and implementation. In 2021, our portfolio had an addition of MMJS DataPhi, our data analytics and machine learning company with a promise to deliver the future to our clients.

## MMJS GROUP OF COMPANIES



Tax Consulting



Management Consulting



Technology Consulting



Real Estate

## OUR SERVICES

Tax Advisory and Compliance



Management Consulting



Financial Advisory and Accounting Services



M&A Deal Advisory



Real Estate Planning and Solution



We provide tailor made solutions and remain as your trusted advisors for all your tax, management and technology related challenges.

## GET IN TOUCH WITH US!

+971 50 108 7071

info@mmjs.co

- Anti Money Laundering (AML)
- Islamic Financial Business (ISF)
- Collective Investment Rules (CIR)
- Ancillary Service Providers (ASP)
- Offered Securities Rules (OSR)
- Authorized Market Institution (AMI)
- Recognized Bodies & Recognized Members (REC)
- Price Stabilization (PRS)
- Takeover Rules (TKO)
- Glossary (GLO)
- Prudential Returns (PRU)

### **Type of Authorizations**

1. Authorized Firms: Conduct specified financial services in or from the DIFC, once license has been granted
2. Authorized Individuals: Perform licensed functions within an Authorized Firm after being authorized
3. Authorized Market Institutions: Licensed exchanges of clearing houses operating in DIFC [currently NASDAQ Dubai and DME]
4. Ancillary Service Provider: Provide legal and accounting services to Authorized Firms after being registered
5. Recognized Bodies: Exchanges, clearing houses or settlement facilities recognized to conduct financial services without having physical presence in DIFC
6. Recognized Members: Remote trading and clearing members recognized to conduct financial services without having physical presence in DIFC

### **Restrictions on Authorized Firms while conducting business in DIFC**

DIFC, being a financial centre intending to cater to the wholesale market, has introduced certain restrictions on Authorized Firms while selecting their client. The firms must adhere to the criteria set out under the definition of a 'Client' in the COB Module of DFSA Rule Book.

An Authorized Firm may choose to provide Financial Services and products to both Retail Clients and Professional Clients. In these circumstances, the Authorized Firms must determine the appropriate classification of its Clients. As a consequence of the analysis under the said rule the Client may be classified as:

- a. a Professional Client.
- b. a Retail Client; or
- c. a Professional Client in relation to certain services and products and a Retail Client in relation to other services and products.

### **Professional Client**

Before carrying out a Financial Service with a person an Authorized Firm must determine whether such a Person is a Professional Client, unless explicitly concurred by the client that he is treated as a retail client.

An Authorized Firm may classify a Person as a Professional Client only if such a Person:

- a) either has net assets of at least USD 500,00 calculated in accordance to the rules specified in the COB Module or
- b) is or has been in the previous 2 years: an Employee of the Authorized Firm or an Employee in a professional position in another Authorized Firm.

The approach of determining the client to be a professional client based on experience is on the grounds that the client has sufficient experience and understanding of relevant financial markets, products or transactions and associated risks.

- c) A client is treated as a professional client, if the client has elected not to be treated as a retail client.



An Authorized Firm may consider the following Persons [As per DFSA Rule Book Definition] as possessing the necessary degree of experience and understanding of relevant financial markets, products or transactions, without having to undertake the necessary analysis stated:

- A Collective Investment Fund or a regulated pension fund;
- An Authorized Firm, a Regulated Financial Institution or the management company of a regulated pension fund;
- A properly constituted government, government agency, central bank or other national monetary authority of any country or jurisdiction;
- Public authority or state investment body;
- A supranational organization whose members are either countries, central banks or national monetary authorities;
- An Authorized Market Institution, regulated exchange or regulated clearing house;
- A Body Corporate whose shares are listed or admitted to trading on any regulated exchange of an IOSCO member country;
- A Body Corporate which has called up share capital of at least USD 10,000,000; or
- Any other institutional investor whose main activity is to invest in financial instruments, including as entity dedicated to the securitization of assets or other financial transactions.

A personal investment vehicle may be classified as a Professional Client; without having to meet the requirements which respect the minimum asset size, if it is operated for the sole purpose of facilitating the management of the investment portfolio of an existing Professional Client.

### **Retail Client**

A Client is a Retail Client to the extent he is not a Professional Client. Additional protection and controls are expected to be in place for handling a retail client.

### **Calculating Net Assets**

An Authorized Firm, when calculating net assets of a Person for the purposes of determining whether the client is a professional client:

- a) must exclude the value of the primary residence of that Person; and
- b) may include any assets held directly or indirectly by that Person.

### **Authorized Individuals**

Though individuals may not hold licenses in their own right to provide Financial Services in DIFC, but can do so as employees of Authorized Firms. These individuals, however, must be approved by the DFSA as being Authorized Individuals. However, it is mandatory for every Authorized Firm to have an Authorized Individual in the function of, amongst others, senior executive officer and money laundering reporting officer. Persons who are looking to being authorized by the DFSA must clear a 'fit & proper' test to assess their integrity, competence and financial soundness, ensuring that person is fit and proper to hold the position.

### **Ancillary Service Providers – ASPs**

A firm providing Ancillary Services must be a body corporate or a partnership and must be registered if it carry on one of the businesses set out below, and it intends to have a permanent place of business at the DIFC. Moreover, such firms can be formed either inside the DIFC under the Companies Law, Limited Liability Partnership Law or General Partnership Law or alternatively, outside the DIFC but

having a branch office in the DIFC that is registered with the DIFC Companies' Registrar.

Ancillary Service Providers are those who provide any of the following services:

- Legal Services
- Accountancy Services
- Financial Audit Services
- Market Information Services
- Compliance Services

### **Local Services Office**

Local Services Office means (a) seeking, or offering generic advice to, potential customers with a view to the provision of Financial Services, either directly or by a member of the same Group, from an establishment outside the DIFC; or (b) marketing and other activities relating to (a) but not falling within the definition of Financial Services.

### **Management Office**

Operating a Management Office means managing one or more members of the same group who are Regulated Financial Institutions.

### **Authorized Market Institutions**

An Authorized Market Institution (AMI) is an exchange or a clearing house in the DIFC that is licensed and regulated by the DFSA. There are currently two AMIs in the DIFC, namely the NASDAQ Dubai (formerly known as DIFX) and Dubai Mercantile Exchange (DME). AMIs are allowed to deal in Equities, Bonds, Funds, Islamic Products, Index Products, Derivatives etc.

### **Non-regulated Businesses in DIFC**

Non-regulated entities are those which may be set up in DIFC and their core business do not fall under the category of financial services or any regulated services. Examples of non-regulated

entities set up in the DIFC include restaurants, recruitment agencies and similar service providers. The entities which do not engage in providing financial services that intend to set up in the DIFC must submit an application to the DIFC Authority. The application will be screened and processed by the Registration Review Committee ("RRC"). Upon receiving provisional approval from the RRC, the applicant will have to proceed the selected entity with the DIFC Registrar of Companies ("ROC").

### **Single Family Offices**

Single Family Offices concept with the DIFC has been created to encourage business families to consolidate and manage their wealth through a formalized structure in a tax-free jurisdiction. The main criteria for Single Family Offices to be set up in the DIFC are as follows;

- 100% of the ultimate beneficial ownership of the DIFC Company are members of a single family. i.e there is a common named ancestor
- If the ultimate beneficial owner is a trust or similar entity, 100% of the principal beneficiaries / controlling individuals are members of the same family
- The DIFC company does not provide services to third parties; it manages a single family's proprietary assets only
- The family's net wealth exceeds the required minimum (USD 10 million)
- The DIFC Company has a physical presence within the DIFC.

Single Family Offices are non-regulated entities in the DIFC, however with some limited monitoring by the DFSA on the Anti-Money Laundering aspects.



## Nasdaq Dubai



Nasdaq Dubai is the International Financial Exchange based out of Dubai International Financial Center owned by Dubai Financial Market and Bourse Dubai. It allows companies to benefit from a unique investor pool that combines regional and international wealth, making it a globally unique platform for companies to raise money and for investors to find exciting opportunities. In Nasdaq Dubai, it brings together the best of international standards with regional knowledge and understanding, supporting the growth of listed companies in the region and beyond. In Nasdaq Dubai, investors in the UAE and the region, as well as those in the US, Europe, Asia can easily trade its securities. This gives its listed companies instant recognition and visibility around the world, supported by the international Nasdaq brand name.

Company owners have the freedom to raise capital in the way that suits them. They can choose the price at which to sell shares in an IPO and keep control of the company afterwards. Underpinning the exchange is a regulatory framework that is second to none, giving confidence to issuers and investors alike that their interests are being looked after.

As a leader in innovation, Nasdaq Dubai offers a wide product range. Companies can raise capital through shares, Sukuk and bonds. Exchange-traded funds, derivatives, exchange-traded commodities as well as Real Estate Investment Trusts (REITs) can be listed and traded too.

Nasdaq Dubai is ideal for many types of companies, from family businesses to conglomerates, government entities and high growth businesses. Your company no longer must look overseas for an international listing. Nasdaq Dubai is here to offer that in the region, closer to your base.

The exchange is located in the Dubai International Financial Centre (DIFC), which has an independent commercial legal system based on English law. The exchange is regulated by the Dubai Financial Services Authority (DFSA), which operates to the highest international standards.





# Your PARTNER to the FUTURE

## BUSINESS SETUP

- UAE Mainland
- Freezones
- Offshore
- Foreign Jurisdictions

## POST INCORPORATION

- Retainership Services
- Re-Structuring
- Re-Domiciliation
- Trademark Registration



### How we help?

- 1  Identify your business activity & jurisdictions
- 2  Selection of appropriate legal structure
- 3  Approval process
- 4  Drafting MOA & notarization
- 5  Obtain Tenancy Contract & bank account opening
- 6  Approval process and obtain trade license

## Get in touch!

28 YEARS  
IN UAE

knowing you



## AN INTEGRATED TRADE, LOGISTICS AND INDUSTRIAL ECOSYSTEM.

A trade catalyst offering quality-driven solutions, value-added services and incentives to connect our customers with global investors and partners for unprecedented growth opportunities across multiple industries.

