



Establishing Business in UAE



Audit / Tax / Advisory / Risk / Technology

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Crowe Mak was previously known as Horwath Mak. The name changed with effect from June 11, 2018.

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FOREWORD

United Arab Emirates (U.A.E.) has celebrated its 48 years of independence since its establishment in 1971. UAE, since then transformed to a world class statute that left others to emulate, with its renowned infrastructures, strong trading heritage, well-established ports, airline and logistical infrastructure and perfect geographical location as a gateway to many of the surrounding regions and robust economic cluster. With its most sophisticated infrastructure, UAE has positioned itself as a world class business hub.

In line of being a world class business hub, The UAE jumped 10 places in the World Bank's Ease of Doing Business ranking to 11th position globally in 2019 from 21st position last year to lead the Arab world for the sixth consecutive year. Moving higher up in ranking marks the successful outcome of the exemplary procedures being put in place by the UAE to facilitate doing business and enhance competitiveness compared to rest of the world.

Considering the ongoing achievements and milestone reached, we believe that UAE market will continue to flourish due to ongoing rise of local business expansions, foreign investors and multinational companies expanding its operation in the regions. This amongst other provides an exceptional statement showing their utmost trust and confidence in UAE market.

Experience has taught that you can skirt the law of the land or you can make it work for you and win. That is why we heartily recommend that you seek the counsel of the appropriate professional to make it absolutely certain that you are on the right track. Use the available systems to the best of your advantage and you are sure to be a winner.

Dr. Khalid Maniar
Founder & Managing Partner
October 2019

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BUSINESS IN UAE

Establishing business in UAE has multiple benefits. It is an efficient way of tax planning since there are no capital gains or personal income taxes. Company formation in UAE is a reputable, regulated and international trading solution. Further structures such as holding or investment companies can be used. Thus, UAE presents an excellent long term option and with a tax free legal base, UAE is a safe haven for offshore and onshore companies.

The UAE economy is divided between the onshore sector, dominated by local business interests, with restrictions on foreign ownership, and the offshore sector which consists of a number of free zones. Economic activity is regulated separately in each of the seven emirates as well as by the Federal Government. UAE authorities have created an environment which is well ordered without being unduly restrictive and offers operating conditions that are among the most liberal and attractive in the region.

There are many options available to international businesses and the advantages of having a presence in the UAE are considerable. It is well known that businessmen and women in the region prefer to deal with people they know and trust. Relationships are far more important in the Arab world than in other regions. It is a growing and prosperous market, a strategic location at the heart of one of the world's richest regions, a diversified market with wide import requirements.

Furthermore, it offers incoming businesses all the advantages of a highly developed economy. The infrastructure and services match the highest international standards, facilitating efficiency, quality and service. Among the benefits are free enterprise system, highly developed transport infrastructure, state-of-the-art telecommunications, sophisticated financial and services sector, top international exhibition and conference venue, high quality office and residential accommodation, reliable power, utilities and first class hotels, hospitals, schools, shops.

In UAE there are no personal income tax except corporate tax is only imposed on banks and oil companies, no capital taxes, no currency restrictions, 100% repatriation of capital and profits, competitive import duties (5% with many exemptions). UAE have a modern efficient communication facility, abundant and inexpensive energy supply, simple staff recruitment procedures, competitive freight charges, varied real estate options, easy access to both sea and airports.

Excise was introduced with effect from October 1, 2017 vide Federal Decree Law No. (7) 2017 on Excise Tax and Cabinet Decision No. (37) of 2017 on Excise Regulation on certain commodities.

Value Added Tax was introduced with effect from January 1, 2018 vide Federal Decree Law No. (8) of 2017, Federal Law No. (7) of 2017 on Tax Procedures and Cabinet Decision No. (52) of 2017 on the Executive Regulations of the Federal Decree Law No. (8) of 2017 on Value Added Tax.

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MAINLAND

- **Sole Proprietorship:** Such an entity registered can be 100% in the name of an individual (also called Establishment). This is generally restricted to UAE Nationals and other GCC National (i.e. nationals of Saudi Arabia, Sultanate of Oman, Bahrain, Kuwait and Qatar). The sole proprietor has unlimited liability for business.
- **General Partnership:** This consists of two or more partners who are jointly and severally liable with respect to all their assets for the obligations of the company. This type of entity is restricted to UAE Nationals. Hence, this entity is not relevant to foreigners.
- **Joint Participation Company:** This is a company between two or more partners to divide the profit and losses of one or more commercial enterprises undertaken by one of the partners in his own name. The contract is not expected to be disclosed to third parties dealing with the venture. Joint venture agreement regulates the obligations between the parties and the method of profit distribution, and this contract is not subject to registration. This type of entity is used for specific contracts and projects where the foreigner expects to do business for defined or short period of time within existing licensed entity, and no separate registration required.
- **Public Joint Stock Company (PJSC):** This is an entity with capital divided into equal negotiable shares, and the shareholder is liable only to the extent of his share in the capital. This is similar to a public listed company as known in common law countries. Minimum capital required to form a PJSC is AED 10 million (AED 40 million for banking company and AED 25 million for investment companies, and AED 50 million for insurance companies). A PJSC must have 10 founder members (this may be relaxed by the government in case of government owned companies or other cases), management vested in a Board of Directors with Chairman and majority directors being UAE Nationals and 51% shares must be held by UAE Nationals. Founder members must hold at least 20% of the capital but not more than 45% of the capital. At least 55% is required to be offered to the public. Considering the various restrictive rules, a PJSC is inappropriate for foreigners.
- **Private joint Stock Company:** This is similar to public stock company except that there is no invitation to public for share subscription. Minimum capital required is AED 2 million and minimum number of shareholders is 3. Chairman and majority of directors have to be UAE Nationals. All provisions applicable to public joint stock company are applicable to this entity, except the provisions pertaining to public subscription.
- **Limited liability Company (LLC):** LLC is closed to the concept to private limited company as understood in common law and is widely used by foreigners to conduct business in UAE. Hence we will examine this in detail. A L.L.C can be formed with 49% shareholding of expatriates/foreign company whereas 51% shareholding shall be in favor of local UAE national. Nominee arrangement is normally made with U.A.E. national to hold this mandatory share in his name in favor of expatriate partner. This would provide effective total control to manage the company and enjoy all profit.
- **Branch of foreign company:** A branch of foreign company can be established for carrying the activities of the parent company. Branch does not have a separate legal entity of its own but is considered a part of the parent company. Generally, this will be in the form of promotional activities of the parent company or carrying out non-trading service activities of the parent company. In general, trading activities (import/export of goods) are

not permitted to be carried by the branch. It is mandatory for this type of entity to appoint a local service agent (sponsor) who is not financially liable or responsible for the business or activities of the business or activities of the branch. However, he is responsible for rendering sponsorship services against an agreed amount of fees for services such as visas, labour permits, registration of branch, renewal of license and other agreed services. Ownership and financial liability is with the parent company.

- **Commercial agencies:** Foreign company not wishing to have physical presence can appoint an agent or distributor registered with Ministry of Economy under Commercial Agency Law No 18 of 1981. Agent must be a UAE National or a company owned 100% by UAE Nationals and subject to UAE laws. Such agreement gives protection to Agent against improper termination, and the principal against illegal import.

Although DED is the competent authority for issue of license, for certain activities special or initial approvals are required from other authorities such as

AUTHORITY	ACTIVITY
Ministry of Health	- Pharmacy
Department of Health	- Medical clinics
Telecommunication regulatory authority (TRA)	- Telecommunication and wireless
Department of civil Aviation	- Air transport and air cargo
Central Bank	- Financial institutions, banks and money exchange and brokerages
Ministry of Industry	- New industrial projects/expansion
Ministry of Education	- Nurseries, private schools & institutes
Customs authority	- Sea cargo, clearing & freight forwarding
Ruler's office	- Lawyers, legal consultancy & Oil related activities
Dubai Municipality	- Engineering & contracting
Ministry of Defence	- Explosives and arms
Ministry of Economy	- Chartered accountants, auditors, Branch of foreign company/Representative offices
National Media Council	- Publishers and printers, bookshops, newspapers, magazines, advertising, news agencies, translation offices, cassettes and video film shops

DUBAI VIRTUAL COMMERCIAL CITY

A Virtual Company License allows investors worldwide to do business in Dubai digitally without requiring presence here. Virtual Company License owners can manage all their business-related activities, including document signing and submission digitally, and the signatures are legally binding in the UAE.

Virtual companies are registered in Dubai to individuals who don't reside in the UAE and the owner of the companies must be nationals or tax residents of certain countries. Residents of around 120 countries can obtain the virtual commercial license with whom the UAE has signed double-taxation avoidance agreements.

Virtual companies are allowed to undertake selected professional activities including services related to printing and advertising; computer programming, consultancy and related activities, designing activities.

At this point Virtual Company License does not guarantee physical access to the UAE be as business or visitor or resident visa to any of the company's partners, directors or employees. However, Dubai Government authorities are working on that. The same way virtual company license doesn't automatically guarantee a bank account in UAE and bank account opening shall be the discretion of banks.

The virtual license costs Dh850 for one year, while two-year license will cost Dh1508 and Dh2161 for three years.

Tax registration with UAE's Federal Tax Authority is required if the company's revenue within the UAE exceeds USD 100,000 per year.

The investors from eligible countries could register their company remotely vide the portal www.vccdubai.ae.

FREE ZONES

Free Zones were set up to encourage foreign trade and investment. In 1985 the inauguration of Jebel Ali Free Zone (JAFZ) created the benchmark for regulations and incentives, proving so successful that the model has been copied multiple times in Dubai and also in the other Emirates. Free Zones offer business districts well equipped with all the amenities, facilities and communication infrastructure necessary to set up a business and service that investors need.

Traditionally all companies had to be owned at least 51 percent by a UAE National, but any businesses registered in a Free Zone is allowed 100 per cent foreign ownership. It's even offered exemption from taxes and customs duties, plus no levy on exports/imports. Other trading benefits include no restrictions on recruitment or sponsorship. To many companies, opening an office in one of the many Free Zones is an attractive prospect, especially in Dubai with such a key location, and offers a free market environment, cutting-edge infrastructure, political stability, a booming economy and tax free policies.

Advantages of Free Zones

With the intensified global trend toward trade liberalisation, Government, which is keen to take the full advantage of various opportunities and challenges created by the integration into the global economy, provides tremendous support for businesses established within the free zones.

It provides a multitude of incentives, such as 100 per cent foreign ownership of companies eliminating the need for a local partner, low-cost operational environment, full repatriation of capital and profits and exemption from import, export, corporate and personal taxes. Additional support is provided through the One Stop Shop service to help companies expedite the process of obtaining necessary permits, licenses, approvals and clearances from the relevant authorities and find skilled manpower and suitable accommodation.

Preliminary Required Documents:

- Passport Copy for all Shareholders/Directors/Manager UAE Resident Visa Page (if applicable)
- Application Form (KYC for all Shareholders/Directors/Managers)
- Business Summary
- Specimen Signature for each Shareholder/Director/Manager
- Proof of physical address for each Shareholder/Director/Manager
- Existing Sponsor NOC letter for the Shareholder/Director/Manager of the Company if existing valid Visa in passport

The above list is only part of the basic requirements and subject to change depending on the free zone, full list will be given upon request. Some documents required attestation by the UAE Embassy in the country of company's origin.

Dubai Airport Free Zone

Established in 1996 as part of Dubai Government's strategic plan to move the emirate towards an investment driven economy, Dubai Airport Freezone has grown to become the region's fastest growing free zone.

Covering a vast number of key industry sectors, including aviation, freight & logistics, IT & telecommunications, pharmaceuticals, engineering, food & beverage, jewelry and cosmetics. Some of the world's most recognized brands have situated their Middle Eastern hubs in Dubai Airport Freezone.

Located next to Dubai International Airport, Dubai Airport Freezone provides unrivalled access to 24-hour logistics services, world-class facilities and infrastructure. The free zone also provides direct access to a number of government services, including Immigration, Customs and the Chamber of Commerce – helping to streamline red-tape procedures and provide clear processes and guidelines.

- Strategic location in the heart of Dubai and neighboring Dubai International Airport State of the art infrastructure and facilities
- Dedicated Logistics Centre and extensive cargo handling facilities
- Direct access to government services: Immigration, Customs, Chamber of Commerce One stop shop for all administrative services
- Easy access to the facilities at Dubai International Airport with its connectivity to 220 destinations through 130 airlines

Type of Companies

Dubai Airport Free zone offers you three different types of companies that can be set up at our premises. Each offers you different options and benefits matching your specific business requirements. You can choose either

1. **FZCO Setup:** The FZCO company type is similar to a limited liability company that can operate within the Free Zone. Shareholders may be individuals, corporate entities or a combination of the two. Shareholders could be from 1-50 (individual, corporate or both). Minimum share capital AED 1000(US\$ 272)/ Shareholder.
2. **Branch Setup:** Existing companies can establish a Branch of their parent company in DAFZA. No share capital is required. Branch license will have the same activity of the parent company and owned 100% by the parent company.

Licensing

Investors planning to conduct their business activities within any Dubai free zone are required to establish their legal presence and obtain Dubai Business License for the activities they propose to undertake. Companies looking to incorporate their services in Dubai Airport Free zone can choose from three types of licenses, which can be selected according to your own requirements:

- **Trade License:** import, export, distribution, storage of specific products.
- **Service License:** requires consultation with a sales executive.
- **Industrial License:** light manufacturing, processing, assembling and packaging.

Dubai Auto Zone

Dubai Auto Zone (DAZ) is Economic Zones World's comprehensive market place for the Auto Industry catering to buyers, sellers, service providers, principals and traders alike. AZ, a mixed use facility, will consist of a free zone to attract Foreign Direct Investment (FDI) in the auto sector, a specialized economic zone to cater to the GCC markets and a retail zone to serve the local markets. These components at the proposed DAZ facility will enjoy one stop services and the benefits of a dynamic market place. The cluster strategy of the Zone will facilitate and support the growth of all segments of the auto industry with focused investment in the required infrastructure particular to the respective segments.

The Free Zone Company (FZCO) can be formed with Multi Shareholding partners and there is no obligation to take on local partners. Its affairs are completely separate from those its partners with a paid minimum 100,000 (US 27,000) as share capital. Minimum shareholders is two and with a maximum of five.

Services

All services related to the Government entities associated with the Auto Trade, Import and Export Client are located within the same area.

- Dubai Customs Inspection
- Dubai Customs Operations
- Dubai Ports Documentation
- RTA Department
- Shipping Agencies
- Bank
- Money Exchange
- Workshops
- Insurance
- Restaurants
- Supermarket

Activities Allowed by the Free Zone

The only activities permitted in DUCAMZ are those involving automotive trading, sales and some services - such as insurance, banking, repair and maintenance of automobiles. Most of the DUCAMZ-based companies fall under the activity headings of Trading and involve the import and export of automobiles to and from the UAE.

DUCAMZ is solely for the purpose of re-exporting cars to target markets. The vehicles are categorized into the following groups:

- a. Right-hand Drive Vehicles, mainly exported to India, Afghanistan, Pakistan, Yemen and other African countries.
- b. Trading in used car, heavy vehicles, agricultural machinery, bikes jet skies and recreational vehicles.
- c. Left-hand Drive Used Vehicles, exported into the local markets and are subject to the local regulations prevalent in the UAE.

Dubai Design District

Dubai Design District was Launched in 2013 by the UAE's Prime Minister and Ruler of Dubai, Sheikh Mohamed bin Rashid al Maktoum, to encourage growth and investment in markets like digital media, arts, design, and fashion. Dubai Design District (D3) is the latest of Free Zone business parks by TECOM Investments.

Valued at \$ 27.6 bn., UAE has the largest market for design, outlining not just a business district, but an authentic innovative community with a soul. D3's vision is fully aligned with Dubai Strategy 2021 to create a "Cohesive Inclusive Community of Creatives". Designed by Foster and Partners, the phase 2 of D3 is due for completion in 2019 and it is specifically designed to forge an active community customized to fit contemporary business needs – from established names and global brands, to startups – D3 brings together the whole creative league under one roof and one principle: with creative energy, passion meets purpose. D3 is set to become the "playground" for more than 180,000 creative individuals and home for one-of-a-kind retail, dining and entertainment unique concepts, providing its visitors with a distinctive experience.

Company Formation in Dubai Design District:

1. Free zone:

- Free Zone Limited Liability Company (FZ LLC).
- Branch of a UAE company.
- Branch of a foreign company.
- Freelance permit.
- Commercial and freelance.

2. On-shore: companies operating with an on-shore (DED) license are 51% locally owned and allowed to operate in the mainland and inside the zone.

Business benefits of Dubai Design District:

- Special licensing for design and fashion with freelance permits for artists and designers.
- 0% personal income tax.
- 0% corporate tax for the first 50 years.
- No currency restrictions.
- Strategic location: in proximity to Business Bay, Dubai Mall, and Burj Khalifa.
- No limit on capital repatriation.

Dubai Flower Center

Dubai Flower Centre (DFC) is a transshipment centre for chain processes that effectively safeguard product quality, maximise shelf life, thereby enhancing profitability. Dubai Flower Centre's tightly controlled environment from plane to consignee prevents a break in the supply chain.

The Dubai Flower Centre is committed to delivering on this opportunity by providing:

- Increased capacity and connections to and from major global trading points Rapid consolidation and trans-shipment
- The world's best cool chain management
- Resources and facilities to enable cost effective value-addition Facilities and support to enable efficient commercial transactions
- Consolidation/repackaging for transshipment to worldwide destinations
- Pre-assembly of product lines sourced from around the world and tailored to end markets Fruit and vegetable pack house – professional packaging for direct sale
- Value added services e.g. bouquet making

A company wishing to set up at Dubai Flower Centre can operate with any of these licenses. Trade licenses will be issued under the authority of the Dubai Airport Free Zone or Economic Department.

- **Limited Liability Company (LLC) License:** Activities allowed: any activity related to perishable items like floriculture, horticulture, fruits & vegetables etc. The license will be issued only by the Economic Department.
- **Trading License:** Activities allowed: import, export, distribution, storage of all items specified in the license.
- **Service License:** Activities allowed: All services

Company Registration

Branch of a Company

- Branch of company incorporated outside the UAE Branch of company registered in the UAE

FZE (Free Zone Establishment)

- Owned by one natural or juridical person with a distinct legal entity and an independent financial liability
- Minimum capital of AED 1,000,000
- Applicant can be an individual or non-individual (partnership association)

FZCO (Free Zone Company)

- More than one shareholder with a distinct legal entity and independent financial liability
- Minimum of two and maximum of five shareholders required for FZCO
- A minimum amount paid up share capital must be AED 500,000. Management should be assigned to not less than three persons, of which one Director and one Secretary must reside in the UAE.

Dubai Gold and Diamond Park

Dubai Gold and Diamond Park was established in 2011, with the aim of becoming a treasure trove of some of the world's finest jewellery, gemstones, precious stones, gold, silver, platinum and high-end personal accessories, Gold & Diamond Park continues to attract numerous tourists and residents alike. Conveniently located on Sheikh Zayed Road, Gold & Diamond Park offers an array of spectacular Jewellery and bullion worth millions that can be admired, reviewed and purchased everywhere you turn, and customers can even choose to have their own designs custom-made at the hands of superbly skilled and experienced artisans.

With over 90 leading retailers and brands to choose from, a truly diverse range of options is available for the asking. A unique and thoughtful combination of not merely retail space but also 118 purpose-built manufacturing blocks, Gold & Diamond Park presents an advantageous proposition to jewellers and businesspeople in search of premium commercial leasing opportunities, including 350 offices, a courtyard and a selection of cafés and restaurants.

Business benefits in Gold & Diamond Park:

- 100% foreign ownership
- No Corporate taxes.
- No income taxes.
- Strategic location within the heart of Dubai with easy access to all areas.
- 24/7 operational freedom.
- Hiring of expatriate workers.
- Central air conditioning plant connections to each unit.
- Central gas distribution system to each unit.
- Healthy purpose-built work environment with proper ventilation systems, exhaust facilities and provision of acid disposal waste collection

Types of licenses:

- Trading license.
- Manufacturing license.
- Retail license.
- Service license
- E-commerce license.
- National industrial license.
- Innovation license.

Dubai Healthcare City

Dubai Healthcare City (DHCC) was launched in 2002 by the UAE Vice President, Prime Minister and Ruler of Dubai, His Highness Sheikh Mohammed Bin Rashid Al Maktoum, to meet the demand for high-quality, patient-centred healthcare.

DHCC combines the leading expertise of medical institutions and pre-eminent healthcare providers to deliver the A-Z of medical services.

Founded on the principles of excellence and innovation, Dubai Healthcare City welcomes healthcare investors who share our vision of providing world-class healthcare and putting patients first.

Communities offer unique opportunities for a wide range of healthcare and healthcare-related investors including:

- Conventional Medical Services
- Complementary and Alternative Medicine
- Medical Education and Research
- Healthcare Commercial Services
- Hospitals
- Diagnostic Laboratories
- Support Services

The Benefits of being part of Dubai Healthcare City

Dubai Healthcare City's free zone status brings unique benefits to investors wishing to capture the regional market:

- Parking facilities
- Access to a wide network of healthcare professionals
- Networking and knowledge sharing events to encourage patient referrals
- Special interest seminars to promote professional standards and business growth
- Strong regulatory framework to maintain Dubai Healthcare City's reputation for quality and safety
- Regular publications about Dubai Healthcare City
- Meeting and conference room booking service Corporate discountss

Registration and Licensing

The Registration and Licensing Department consists of:

- Company Registry
- Business Licensing

The **Company Registry** is a regulatory body which:

- Registers companies in Dubai Healthcare City;
- Maintains and updates the Company Registry and register of Shareholders and Directors; and

- Ensures that companies registered in Dubai Healthcare City comply with the Free Zone rules and regulations and applicable State and Federal legislation in relation to company establishment and liquidation.

Establishment of Legal Structure

DHCCA allows the establishment of the following legal structures:

- Branch of a Foreign Company
- Branch of a UAE Company / Establishment
- Free Zone Limited Liability Company (FZ-LLC)

Business Licensing issues licenses for all companies registered by the Company Registry, to carry out specific activities for a specific duration, in compliance with the Dubai Healthcare City Free Zone Authority Licensing Regulations and other related laws and regulations.

Business Licensing issues different types of licenses depending on the legal status of the Business Partner, such as:

- Free Zone Limited Liability Company (FZ-LLC)
- Branch of Foreign Company
- Branch of UAE Company / Establishment with a license to operate in the Free Zone.

Issuance of New Commercial Licenses

ew Commercial Licenses for a period of one (1) year and are renewable on an annual basis. The Commercial License allows companies to carry out desired activities in Dubai Healthcare City, based on an extensive list of approved activities.

Dubai International Financial Centre (DIFC)

The Dubai International Financial Centre (DIFC) is an on-shore financial hub strategically located between the east and west, which provides a secure and efficient platform for business and financial institutions to reach into and out of the emerging markets of the region. It was established to create an environment for growth, progress and economic development in the United Arab Emirates and the wider region by providing the needed legal and business as well as physical infrastructure benchmarked against international standards.

The DIFC is an independent jurisdiction under the UAE Constitution, and has its own independent civil and commercial laws, which are written in English and which default to English law. It also has its own courts, with judges taken from the common law world including England, Singapore and Hong Kong. The DIFC-LCIA Arbitration Centre is an independent centre of international arbitration that uses rules modeled on the London Centre of International Arbitration.

Areas of Services

Financial Services Institution

■ Banks

The legislative and regulatory regime has created a highly conducive and secure environment for the growth of banks offering a wealth of services, including:

- Commercial banking Investment banking
- Trade and export finance
- Project and infrastructure funding
- Treasury services
- Correspondent banking

■ Insurance

DIFC endeavors to promote the development of a thriving regional insurance market. Global and regional insurers, reinsurers and brokers are attracted to set up in the centre due to its world-class infrastructure, legislation and regulation.

In many cases, international players tie up with regional firms to establish a new entity to cater to the region's demand for insurance and reinsurance services. With the growing presence of regional and international players, the insurance penetration in the market has grown, outpacing that of industrialised countries.

In view of the notable rapid development of Takaful, Islamic insurance and reinsurance, over the recent years, firms are eager to establish in the centre to meet the needs of the Islamic market.

An important facet of the Insurance sector is Captives, which is rapidly gaining appeal in the region. With the economic development, growing industrialisation, rapid growth of international trade, international mergers and acquisitions, improved regulation and increased focus on corporate governance, the region is witnessing a change of attitude towards corporate risk management, and a growing awareness of the need for innovative ways to finance the future cost of corporate risk.

For firms looking to finance and manage corporate risk, DIFC's regulatory framework, coupled with its favourable tax environment, offers a convenient platform for the establishment of captive insurance companies. Furthermore, the flexibility of the DFSA in providing the regulation of Protected Cell Companies positions the DIFC among the most forward-looking financial centres.

■ **Wealth Management**

The region benefits from a vast pool of wealth and a growing appetite for specialist investment products. There is also an increasing demand from high net worth individuals for tailor made solutions which meet their specific and individual wealth management requirements.

DIFC legislative and regulatory regime has created a highly supportive and secure environment for the growth of the funds industry. In compliance with IOSCO Principles, the Funds Regime allows for the domiciliation, management and distribution of funds from DIFC.

The vast scope for investing, managing and administering this enormous wealth has encouraged many of the world's biggest asset managers, hedge funds and private equity firms to set up within DIFC and take advantage of the ability to:

- Manufacture and distribute tailor-made mandates and specialist investment products
Manage the world's largest concentration of Islamic wealth
- Offer advanced asset management products for institutional investors including the region's large sovereign wealth funds
- Access investment opportunities across the region and gaining exposure to rapidly growing emerging markets
- Tap into the regions vast pool of wealth for fund raising and seed capital

■ **Capital Markets**

Traditionally, companies, governments and financial institutions have looked to the international capital markets to meet their financing needs. However, with the advent of the regional stock markets, there has been an increasing flow of IPOs and listings on the regional exchanges. At the same time, regional investors have required liquid and efficient markets to absorb the rapidly growing stock of financial assets accumulating in pensions, life funds, collective investment schemes and other savings vehicles.

DIFC is a platform for investment banks & financial intermediaries to service the capital markets of the region with:

- Underwriting
- M&A advisory
- Venture capital
- Private equity
- Private banking
- Trade finance
- Brokerage service

DIFC is home to NASDAQ Dubai (formerly the Dubai International Financial Exchange) which lists equities, equity derivatives, structured products, sukuk (Islamic bonds) and conventional bonds. Through the exchange, regional and international issuers can access regional and international liquidity. International issuers can access capital from the region, through a primary or dual listing.

■ **Professional Services**

The region has witnessed a growing demand for professional service firms driven by greater sophistication in financial services requiring specialist advisory work, increased cross-jurisdictional trade and transactions, and the ongoing restructuring by state owned enterprises, corporations and private entities.

Through its offering of world-class technology and associated infrastructure, a pool of multilingual highly skilled professionals, DIFC has attracted a wide range of professional service providers including:

- Legal
- Accounting and audit Consulting
- Compliance Recruitment
- Risk management

■ **Data and research providers**

By locating in DIFC, firms are able to centralise and consolidate their resources used to service the region, thereby gaining a competitive cost of operation. In addition to the growing regional opportunity, professional service firms may benefit from the large business and financial captive clientele already located within the centre – making DIFC your logical home.

The expertise of the world's major international professional service firms is an important pillar establishing DIFC as a world-class international financial centre.

■ **Global Corporates**

DIFC has a sizeable number of multinational corporations and regional conglomerates which are utilizing the DIFC to base a head or regional office where centralized strategic leadership and global management of their business activities take place.

DIFC's attractive legal framework and tax offering, in combination with UAE's wide network of DTAs, has enabled many of these players to optimize the tax impact on their global business and benefit from booking revenues in the centre. Companies are also using DIFC to run treasury operations including forex hedging and liquidity management, as well as a platform for shared services centres for group companies and business units.

Companies based at DIFC are served by a range of international banking facilities and world-class professional services providers, including top global legal firms, accounting firms, consultants, recruitment firms and tax advisers.

Companies include Fortune 500 and leading players in the financial services, oil & gas, telecommunication, consumer goods, business services, capital goods and materials sector.

■ **Management Offices**

DIFC's attractive legal framework and tax offering has attracted a range of management offices, including:

- Holding Companies
- Proprietary Investments Offices Single Family Offices
- Marketing Operations

Operating a management office in DIFC provides access to a variety of professional services from one location, such as: wealth and asset managers, private bankers, legal firms, accounting firms, recruitment firms, consultants, corporate governance experts, international tax advisers, captive insurers and experts on Islamic finance, as well as access to capital markets and corporate financiers.

Single Family Offices (SFOs) have additional benefit from a confidential yet transparent regulatory framework that excludes them from many of the regulatory constraints placed on conventional organisations in the centre, and is the first in the world to define a family office in legal terms. These regulations, combined with estate and succession planning advisers, corporate governance experts and other available professional services, make DIFC an ideal jurisdiction for family offices.

■ **Retailers**

The centre has experienced a healthy demand for business and lifestyle facilities from the professionals working in the district. With several high calibre hotels and residences nearby, there is a growing footfall to be complemented by further openings throughout the year.

Visitors can choose from three distinct retail zones within the district, including:

- Gate Village - located adjacent to The Gate, focuses on art galleries and fine dining outlets
- Marble Walk - located beneath The Gate, focuses on takeaway meals, retail convenience and essential services
- The Balcony - the terrace surrounding The Gate, focuses on casual dining options

Dubai Maritime City

Built on 2.27 million square meters of reclaimed land, Dubai Maritime City (DMC) is the world's first purpose-built maritime center.

The sprawling man-made peninsula boasts a new 2,100 m long breakwater and a quay wall that measures 2,980 m. Comprising residential, commercial properties and warehouses, it provides investors free zone amenities, as it is a member of Dubai World Holding that is the holding company for 'Dubai Drydocks.' The city, unlike other seaports and establishments in the region, enjoys considerable advantages including a pro-business environment.

In keeping with Dubai's commitment to eco-friendly building practices, the mega project abides by 'green' construction concepts. These encompass construction of buildings that consume less energy and consequently generate less waste.

Dubai Maritime City is carved into 5 prime zones:

1. The industrial precinct

This sector is a hub for ship repair facilities, yacht repair and manufacturing, as well as workshop units. The precinct will be overseen by the management of 'Jadaf Dubai'. A 1,270-meter stretch of wet berthing has been made available in this precinct, alongside 42 dry berths of various sizes.

The inclusion of yacht building and repair facilities taps on a growing leisure boating industry.

The large number of berthing spaces available here alleviates a space crunch for boats in Dubai.

2. Academic Quarter

The Academic Quarter is located in the middle of Dubai Maritime City. The institution here, offers a syllabus encompassing marine engineering, marine transportation and naval science, among others. The academy will provide the opportunity for companies to constantly renew the knowledge of their staff without the need to leave the city.

3. The Maritime Center

This is the core of Dubai Maritime City. It is made up of eight waterfront and three interior parcels, which will serve as an international hub for maritime businesses and is the first purpose-built maritime cluster in the world.

4. Harbor Offices

The gateway to Dubai Maritime City contains 19 development plots offered for office tower development. This zone overlooks the harbor and is the nearest precinct to the causeway linking the project to the rest of Dubai.

5. The Marina District and Harbor Residences

The district includes a group of mixed-use activity areas which cater to yacht owners and also houses restaurants, retail outlets and entertainment facilities.

Dubai Maritime City lies in a northerly direction near the creek area business district, between Port Rashid and Dubai Dry Docks. The site is connected by a causeway to the wider road network, providing access to all of Dubai's principle expressways including Sheikh Zayed Road.

Type of Licenses Issued

- Maritime Services
- Industrial
- Management
- Education & Research
- Yacht Manufacture & Repair

Legal Entities

- Free Zone Establishment (FZE)
- Free Zone Company (FZCO)
- Branch of a foreign Company
- Branch of a UAE Company

Other Information:

- **Shareholders:** One Shareholder for FZE, Minimum two and maximum five for FZCO. The shareholder has to be physically present either himself or through an attorney at the Free Zone.
- **Shares:** No bearer shares will be allowed. All shares must be fully paid when allocated. No different classes of shares allowed.
- **Share Capital:** Minimum 1 share of AED 1,000,000 for FZE. Minimum AED 500,000 for FZCO (with face value of 1 share as AED 100,000)
- **Directors:** Minimum number of Directors two and Maximum five. No corporate directors allowed
- **Manager:** Every FZE / FZCO company shall have a manager. It should be a natural person and his name shall be on license
- **Governing Law:** Companies are subject to the UAE law in general and for some specific function law of the Emirates of Dubai.

Dubai Multi Commodities Centre (DMCC)

Established in 2002 by Royal Decree, the Dubai Multi Commodities Centre Authority (DMCC) is a strategic initiative of the Government of Dubai, with a mandate to enhance commodity trade flows through the Emirate by providing the appropriate physical, market, financial infrastructure and services required.

By offering a fit-for-purpose regulatory framework, modern infrastructure, freehold property, innovative products and cost efficient, value-added services, DMCC successfully attracts key participants throughout the entire value chain of a wide range of commodities sectors. However, although DMCC is the region's only commodities hub, its business activities include free zone, financial and property services.

DMCC is the master developer and licensing authority for the DMCC Free Zone, the fastest growing free zone development in Dubai.

These include multi-nationals, major regional industry participants as well as small/medium sized businesses and entrepreneurs. Companies operating at the DMCC Free Zone enjoy an unparalleled location on Sheikh Zayed Road, streamlined processes, dependable customer support, unique services and industry clustering, modern infrastructure, and freehold commercial and residential property.

DMCC has implemented a robust compliance and regulatory regime which is in line with the compliance related laws and regulations of the UAE Federal Government and the competent international bodies. Companies or individuals interested in setting up and licensing a new or existing company in DMCC can choose a trade or services license from a wide range of business activities.

Type of Companies

- Free zone company – single / multiple shareholder
- Branch
- Subsidiary
- Representative Office

Key benefits of joining DMCC Free Zone:

- Unique industry clustering and purpose-built infrastructure
- Secure, regulated environment, licensing a full range of business activities
- Strategic location on Sheikh Zayed Road, connecting Abu Dhabi and Dubai, and in close proximity to Dubai Logistics Corridor
- Quality freehold, commercial and residential property for sale or lease at competitive rates
Wide variety of quality commercial, retail, residential and industrial space offered
- Comprehensive client relationship management providing a fast and efficient service for the collection and processing of all documentation and issuance of licenses

Licensing Procedures

The DMCC Free zone offers a streamlined and efficient registration and licensing process which ensures that most licenses are issued within two weeks of submission of the completed application, payment and relevant documentation.

A completed application form and supporting documents is required in order to begin the licensing process.

To start the application, company name should be approved all documents must be submitted within 6 weeks from date of receiving Name Reservation confirmation after which application will be terminated. No refunds will be possible at any stage. All information and documents are MANDATORY. Applications received with incomplete information/documentation will be kept on hold.

Dubai Silicon Oasis

Dubai Silicon Oasis Authority (DSOA), a 100% government-owned free zone, was established following Law no 16 of 2005 of the Government of Dubai, with the Mission to "facilitate and promote modern technology based industries" thus supporting the region's demand for business expansion. A full package of incentives and benefits are provided to companies operating within the free zone. Dubai Silicon Oasis (DSO) is a technology park and provides both a living and working integrated community.

DSO's urban master-planned community spans 7.2 million square meters and has been carefully divided into 5 main pillars based on industrial, commercial, education, living and residences, and public facilities. The technology park enjoys state-of-the-art utility infrastructure featuring advanced telecommunications, electricity, and road networks.

Silicon Oasis is designed as a hi-tech ecosystem which offers businesses a plethora of advantages including a state-of-the-art infrastructure, in-house business services and strong business support such as technology investment incentives for large enterprises, entrepreneurial support, an incubation centre and venture capital funding.

Free Zone Benefits

Become a member of our hi-tech community and have everything your business needs right at your doorstep including:

- State of the art IT infrastructure and facilities with tier 3 data centre Fast-track business set-up & licensing
- Dedicated business support services including integrated online E-Business system offering tenants fast and efficient services at the touch of a button
- Access to regional pool of talented technical and engineering professionals Stable and clear regulation
- Access to consumer markets of 5 billion people (Middle East, North Africa and Indian subcontinent).

Company Types

- **Branch:** Any established company, whether in the UAE or abroad, can register its branch in the Dubai Silicon Oasis. The activity of the branch proposes to conduct in the Dubai Silicon Oasis is required to be identical to the activity conducted by the parent company. There is no minimum required capital to establish a branch.
- **Free Zone Establishment (FZE):** An FZE is a legal entity incorporated/registered by a single shareholder. The shareholder can either be an individual or a non-individual/corporate.
- **Free Zone Company (FZCO):** An FZCO is a legal entity incorporated/registered with a minimum of two shareholders. Shareholders can be either individuals or non-individual(s)/corporate.
- **DED Registered Companies:** Companies already established with the Dubai Economic Department (DED) and who wish to operate in The Administrative Zone in DSO (i.e. in non-DSOA property) should apply for a Business Operation Permit.

License Types

Companies looking to set up within in DSO can choose from three types of Licenses, which can be selected according to the company's operational requirements. Please note: that branch entities are only entitled to conduct activity within the parent company's activities

Operating Licenses

- **Service License:** This allows the registered entity to carry out only specified services.
- **Trade License:** This allows the registered entity to practice activities which are related to import, export, and distribution of items and goods as specified in the License.
- **Industrial License:** This allows the registered entity to import raw material, manufacture, and process, assemble, package and export the finished product.

Special Licenses

- **Business Operation Permit:** This is a special permit for companies operating in The Administrative Zone of DSOA (areas owned by private developers) using a License issued by Dubai Economic Department (DED). This License is issued based on the License issued by Dubai Economic Department. No share capital is required for this type of License.
- **Entrepreneurial Business License:** An EBL License is designed to accelerate the successful development of young entrepreneurs and their businesses through an array of support resources and services. This License is only available for members of DSO's incubator program and involves a low cost License in return for a small stake in the business. For more information entrepreneurial licenses please see our start up & entrepreneurial support section.

Dubai Technology Entrepreneurship Centre

Dubai Technology Entrepreneurship Centre (DTEC) is a centre which supports people with technology-based entrepreneurial visions and also technology start-up companies.

The Dubai Technology Entrepreneurship Centre (DTEC) is a purpose-built start-up business centre to accommodate and support young technology companies. DTEC offers greatly discounted and flexible technopreneur office space and highly subsidized technopreneur business licenses, as well as multiple visas per company.

With its 3,600 sqm space, it is one of the largest technopreneurship centres in the region, comprising of more than 350 desk workstations and offices. Facilities include 24-hour secure access and storage, high-speed Wi-Fi, meeting rooms, printer stations and state of the art office support.

Facilities:

Flex desks, workstations and small offices are available in DTEC for your technology start-up to get work done. DTEC also features a gaming room, huddle rooms, showers, lounge chairs, a lunch counter, meeting rooms, and much more.

Location:

DTEC is located within Dubai Silicon Oasis at the intersection of Sheikh Mohammed Bin Zayed Road (E311) and Al Ain Road (E66), just minutes away from Dubai airport, DIFC and Downtown.

DTEC is located in Dubai Silicon Oasis. Therefore, all companies located inside DTEC receive the full free zone benefits, including 100% foreign ownership, one-stop-shop company registration and simplified visa procedures.

A technology entrepreneur can receive an annual pass to access the co-working space and does not need to establish a company; however, they are subject to the normal acceptance criteria.

Dubai Development Authority (DDA)

Formerly known as Dubai Creative clusters Authority (DCCA), was launched in the year 2000 to establish Dubai as a worldwide hub for knowledge-based industries such as media, IT, fashion, movie & production, science & technology, etc. It consists of 9 business zones.

- **Dubai Internet City:** (DIC) has grown to become the Middle East and North Africa's largest Information and Communication Technology (ICT) Business Park, hosting both global and regional companies. DIC offers an environment that attracts all the elements of the ICT value chain and helps IT and Telecoms businesses develop, innovate and grow. DIC also hosts the Majid Bin Mohammed Innovation Center in5, a technology start-up incubator that aims to foster entrepreneurs and drive innovation. Microsoft, Google, Yahoo, HP, Dell, Intel, Booking.com and Cisco are just some of the global ICT companies that serve the Middle East and beyond from offices in DIC..
- **Dubai Outsource Zone:** (DOZ) business park was initiated to cater to the market demand for outsourcing companies. DOZ supports Business Process Outsourcing (BPO), HR Outsourcing, IT Outsourcing, back office and call center operations. Additionally, DOZ offers state-of-the-art offices, robust telecom infrastructure, facilities management services and a 24-hour security service.
- **Dubai Media City:** Grown to become a thriving business community hosting both global and regional media companies. The business park offers an environment for media companies and individuals to operate with collective synergy. Businesses from the following sectors may apply to become part of the DMC business community: Advertising and Communication, Media and Marketing Services, Media Support Services, Event Management, Event Support Services, Media Consultancy.
- **Dubai Studio City:** DSC offers the right combination of planned infrastructure, talent pool and the dynamic business environment to support the growth of broadcast, movie, television and music production companies in the Middle East region. DSC features pre-built studios, sound stages, warehouses, workshops, office spaces, latest satellite communication facilities, backlots and stage areas.
- **Dubai Production City:** IMPZ a dedicated media production zone designed to meet the unique needs of the global media production industry. The business park serves graphic art, printing, publishing, packaging and media production companies. Furthermore, rules governing media production have been simplified to facilitate ease of operation for companies.
- **Dubai Knowledge Village:** DKV dedicated to Human Resource Management and learning excellence. DKV aims to develop the region's talent pool and establish the UAE as a knowledge-based economy. DKV is a unique hub that offers the best selection of Human Resource Management, Consultation, Training and Personal Development programmes.
- **Dubai International Academic City:** DIAC is dedicated to Higher Education. DIAC aims to develop the region's talent pool and establish the UAE as a knowledge-based economy.
- **DuBiotech** is the major Life Sciences cluster in the Middle East. It is a Free Zone that provides the ultimate platform for Life Sciences companies to set up their operations and

access the fast growing, emerging markets of the region. DuBiotech offers unique services that include regulatory affairs management, partner development, registration & licensing, leasing and government services to facilitate the growth of the local and international companies operating in the Park.

- **The Energy and Environment Park (Enpark)** facilitating the growth of the energy and environment businesses in the Middle East. Enpark specifically caters to the Energy, Energy Efficiency and Green Building, Recycling and Solid Waste sectors, by providing a cost effective business environment to serve their MENA markets.

Licensing options in Dubai Development Authority

(A) Commercial License

New Incorporation of a Free Zone Limited Liability Company (FZ-LLC)

A FZ-LLC is formed as a separate legal entity, with shareholders as individuals and/or entities. Each FZ-LLC is required to have at least one director. The minimum capital requirement for incorporation depends on the business activity - please click here for details.

Branch of an Existing Foreign/UAE Company

A branch of a foreign or a UAE company is not a legal entity separate from its parent but is considered a place of business that forms a legally dependent part of the parent company and conducts all or some of the operations inherent in the parent's business. No share capital is required.

(B) Freelance Permit

The Freelance Permit offers the ability to operate as a freelance professional. The Permit identifies you as a sole practitioner and enables you to conduct your business in your birth name as opposed to a brand name.

Licensing Regulations

Commercial licenses and freelance permits issued by Dubai Technology and Media Free Zone Authority are subject to leasing a facility within the Dubai Technology and Media Free Zone and the license is valid only for operating a business inside the Free Zone territory. Licenses and permits are for a period of one year and are renewable on an annual basis.

Minimum Capital Requirements

Below are the minimum capital requirements that apply within each business park:

Dubai Internet City

- Minimum paid up capital of AED 50,000.

Dubai Outsource Zone

- Minimum paid up capital of AED 300,000.

Dubai Media City & Dubai Studio City

- Minimum paid up capital of AED 50,000, with the exception of certain activities, which have minimum capital requirement of AED 2,500,000:

Dubai Production City

- Printing Machinery and Printing Consumables Manufacturing Segment - AED 500,000
- Printing Press Segment - AED 500,000
- Publishing Segment - AED 200,000
- Graphic Arts Support Services Segment -AED 50,000

Dubai Knowledge Village

- Minimum paid up capital of AED 50,000.

Dubai International Academic City

- Minimum paid up capital of AED 50,000.

DuBiotech

- Minimum paid up capital of AED 50,000, with the exception of the below activities, which have a minimum capital requirement of AED 300,000:
 - Manufacturing and Production Activity under the Therapeutics Segment Manufacturing and Production Activity under the Food Segment
 - Manufacturing and Production Activity under the Agricultural, Forestry, Horticulture, Segment
 - Manufacturing and Production Activity under the Environment Segment
 - Manufacturing and Production Activity under the Medical/Scientific Devices or Equipment Segment
 - Manufacturing and Production Activity under the Specialty Supplies Segment

Enpark

- Minimum paid up capital of AED 300,000, with the exception of Associations (Non-Profit Organizations), which have a minimum capital requirement of AED 50,000.

Dubai World Central

Strategic Location

DWC further cements Dubai's leading position as a logistics and trade hub. It takes advantage of Jebel Ali Port (the largest container port between Singapore and Rotterdam) and seamlessly connects it to Al Maktoum International Airport through the dedicated Dubai Logistics Corridor. This forms a single custom-bonded zone, reducing time on the ground and accelerating the flow of sea-to-air/ air-to-sea cargo. With direct access to the major trans-emirate road networks, DWC is a true multimodal logistics platform providing unprecedented levels of connectivity, speed and efficiency. Leading logistics businesses such as Aramex, Kuehne + Nagel and Panalpina are taking advantage of DWC's dedicated Logistics District to grow their businesses within the region and beyond.

The rise of the airport city

Today's businesses demand increasingly faster speeds of delivery and greater levels of connectivity. Today, an airport is an economic catalyst and has expanded beyond traditional boundaries to encompass a larger urban development centered around it, forming an 'aerotropolis'.

Embracing the aerotropolis model, DWC is the result of a carefully designed, forward-looking master plan that sets the framework for Dubai's economic future.

Focal point of global aviation

DWC is committed to creating a viable aviation industry cluster and encouraging the development of FBO's, MRO's, manufacturers, education institutions, consulting and other aviation-related businesses to service and meet the growing demands of the region.

The Free Zone Areas

Dubai Logistics City (DLC)

DLC is positioned to serve a wide range of transportation, logistics, and value-added operations within a single-bonded free zone environment. DLC will facilitate the transportation of goods from air to sea and vice versa.

Aviation City

Aviation City is an area of the DWC Free Zone, situated just south of DLC and is also positioned directly adjacent to the apron of the Airport. Aviation City will host light aviation manufacturing and associated industries, Maintenance, Repair and Overhaul (MRO) companies, aviation support services, design and consultancy, research and development, aviation training, products and parts, light manufacturing units and hightechnology industries. Aviation City will include various components such as executive jet terminal facilities, a Maintenance, Repair and Overhaul (MRO) centre; a Heliport Zone; an Academic Zone and an Industrial Zone providing an integrated infrastructure for the warehousing of aircraft components and parts supply. Aviation City offers leases of office space, warehouse space, and long term leases of development land enabling Free Zone Enterprises to design and construct their own facilities.

Types of Registration

Any corporate entity (i.e. a company), association, partnership or natural legal person (i.e. an individual) or any combination of the foregoing may apply to register a Free Zone Enterprise.

All Free Zone Enterprises will be registered as one of the following:

- as a Dubai World Central limited liability company with the designation DWC-LLC
- as a Branch of a company/organisation registered and existing outside of the DWC Free Zone (i.e. a branch of an overseas company/organisation or a branch of a UAE registered company)

All Free Zone Enterprises will be private enterprises. No Free Zone Enterprise may issue an invitation to the public to subscribe for any shares, stock or debentures in the Free Zone Enterprise.

Categories of License

The categories of License available within DLC are as follows:

- **Logistics License:** allows the holder to carry out specified logistics services (e.g. storage, transportation, distribution, sorting, forwarding and clearing activities, order management, inventory management etc.). The license holder will be able to pick up and deliver (but not sell) products within the UAE.
- **Industrial License:** allows the holder to carry out a specified light manufacturing activity (e.g. blending, mixing, purifying, assembling forming, repacking, or wrapping of products) by utilizing hand labour or quiet machinery in a manner which does not produce smoke, gas fumes, heat, light or other effects which may cause a disturbance or nuisance to others.
- **Trading License:** allows the holder to import, export, sell, distribute and store items specified in the License. However, Free Zone Enterprises holding a Trading License may only sell completed products in the UAE market through a local distributor or a commercial agent which is properly registered in the UAE.
- **Service License:** allows the holder to carry out services specified in the License within the DWC Free Zone and elsewhere in the UAE (although additional local licenses may be required in some Emirates). Service Licenses are issued to Free Zone Enterprises supporting the logistics industry and will include services such as consulting, software, training, repair, catering.
- **Education License:** allows the holder to carry out educational and social services, educational and training, and educational consultancy services.

Jebel Ali Free Zone (JAFZA)

One of the world's largest and the fastest growing free zones. Established in 1985, Jafza today is spread over an area of 48 sq. kms and is home to over 6400 companies, including over 120 of the Fortune Global 500 enterprises, from across the world. It is a leading driver of the burgeoning UAE economy. With its impeccable track record, Jafza stands for innovation, customer centricity, transparent operations and entrepreneurial dynamism.

As the leading business hub of the Middle East, we focus on long-term customer relationships and foster alliances with global investors by providing them with world class infrastructure supported with value-added services and incentives. We also offer the benefit of huge business opportunities from a potential market of over two billion people in the greater Middle East region. Our products include office units, warehouses, light industrial units and land on long term lease. These land sites are suitable for a variety of purpose-built facilities. Other value added products include business centers, hotels for visitors and customized Build-to-Suit options.

A business climate where your ambitions have opportunities to grow to any length. A vibrant networking atmosphere where new relationships and opportunities present themselves with refreshing regularity. It's in these surroundings of entrepreneurship and historical richness that we welcome you.

JAFZA Services

Jafza will provide you with a series of value-added programs which can enhance your businesses.

These services include:

Regulatory: Will act as the sole regulatory body dealing with the customers. The key units possessing the authoritative role with regard to granting permits and offering governmental services are property department, operations department, civil engineering department and group environment, and health and safety division.

Advisory and updating: Can assist you in setting up a business and selecting desirable sites or locations for your venture. This will also help you determine operational requirements and, additionally, keeps you updated on various developments in your specialized business sector.

Business Matching: This service will help your company leverage opportunities of joint ventures and other mutually beneficial partnerships in the local and international market

Dubai Trade: Through a single bilingual portal (DubaiTrade.ae), Jafza offers you a 24/7 secure access to all our services. The portal consolidates all the services of complementary organizations including DP World and Dubai Customs and gives you the added convenience of a single login.

JAFZA Company Types

Jebel Ali free zone companies may be formed within Jafza as the following types of business (companies):

- **Free Zone Establishment (FZE) and Free Zone Company (FZCO):** FZE and FZCO applicants can avail of Jafza's unique offer of forming a company as a separate legal entity. A FZE formation can be with a single shareholder An FZCO can be formed by 2-50 shareholders.

- **Branch Company:** Companies having valid registration and license outside Jafza can apply for the formation of a branch Company in Jafza.
- **Special Status Non-Resident Offshore Companies:** JAFZA, under Jebel Ali Free Zone Offshore Companies Regulations 2003, allows the formation of an offshore Company by individuals or corporate bodies, as a non-resident company, having a corporate legal entity. (*Please refer to our "Going Offshore" publication*)

Jafza License Types

Jafza issues various types of company licenses:

- **General Trading License** allows the holder to import, distribute and store all items as per Jafza rules and regulations.
- **Trading License** allows the holder to import, export, distribute and store items specified on the License.
- **Industrial License** allows the holder to import raw materials, carry out the manufacture of specified products and export the finished product to any country.
- **Service License** allows the holder to carry out the services specified in the License within the Free Zone. The type of service must conform to the parent company's License, issued by the Economic Department or Municipality of the relevant Emirate in the UAE.
- **National Industrial License** is designed for manufacturing companies with an ownership or shareholding of at least 51% with AGCC (Arabian Gulf Co-operation Council) nationals/citizens. The value added to the product in the Free Zone must amount to a minimum of 40%. This company License allows the holder the same status as a local or AGCC inside the UAE.

Jafza Activity Types

Jafza companies can enjoy doing **business in Dubai** by operating within various industries. The activities that companies carry out are categorized under three sections:

- Industrial
- Services
- Trading

As per recent development initiated from 12th December 2013, for holding properties in Dubai the Shareholders ought to be individuals only and not by any others.

Dubai Industrial City

Dubai Industrial Park (Dubai Industrial City) is a designated district within of Dubai Wholesale City, one of the largest industrial hubs in Dubai. DIC was established with the objective of fast-tracking growth and expansion of the industrial sector in the United Arab Emirates - especially seeking to attract players in the light and medium manufacturing sectors with specific emphasis on food and beverage, base metals, transport equipment and parts, machinery and mechanical equipment, workshops, logistics, chemicals, and mineral products.

Offering a cost effective and efficient business incentives for the region's manufacturing sector, Dubai Industrial Park serves an enabling ecosystem for investors with integrated offerings of industrial land, labour villages, and warehousing facilities.

Dubai Industrial Park is strategically located nearby Al Maktoum Airport and in proximity to the Jebel Ali Port. The Park provides a traffic free environment with direct connections to Sheikh Mohammed Bin Zayed Road and the Emirates Road, giving easy and convenient access to global transportation points via road, air and sea.

- **Permitted activity:** logistics, manufacturing, trading, retail and other related activities.
- **License available :** Trading, Service, Commercial and Industrial license.
- **Types of entities :** Limited Liability Company (LLC), Branch, Subsidiary and JV.
- **Share capital :** Not required, however minimum of AED 300,000/- to be shown in MOA.

Business benefits:

- 100% foreign ownership
- 100% repatriation of capital and profits
- No personal income taxes
- No corporate taxes
- Duty free imports of machinery, equipment and raw material for production
- Close access to Jebel Ali Port and Al Maktoum International Airport

TechnoPark

Technopark is being built on 21 million square meters of land and will house 60,000 permanent residents and employ over 133,000 people. We will function as a hub that enables research partners to access the resources of academic and research institutions, and international associations worldwide.

TechnoPark is a member of Economic Zones World, which operates under Dubai World, one of the largest holding companies in the world. We have an advanced communications network, a full range of administration services and, as a special economic zone, TechnoPark offers numerous benefits. TechnoPark is an exceptional place to live and work. We not only attract direct investment in manufacturing and research and development, but also lead the way in the fields of applied science and technology.

Key Features and offerings of TechnoPark are

- Covers 21 million square metres of land, about 30 percent of which is open space areas.
- Brings the most advanced organisations in the world together, fostering shared understanding through research into and development of new technologies.
- Aims to cultivate greater knowledge for the future, by promoting continuous innovation and progress.

TechnoPark aim to take a lead in the research and development of new technologies and we have created an environment where businesses at the forefront of their fields can work together with top academicians and researchers. Managed by a team of experts and associated with a prestigious network of science and technology organisations, TechnoPark will be an incomparable place to work.

key focus at TechnoPark is on the Middle East's core economic sectors, including:

- Water resource management
- Development of alternative and efficient energy resources
- Environmental resource management.

TechnoPark also focus on other areas including:

- Life sciences
- Sustainable industrial development
- Information and communication technologies
- Socio-economic knowledge

TechnoPark is situated to the west of Jafza in Dubai. We are the only technology park in the region positioned between a world-class seaport and an international airport, taking you beyond the boundaries of geography.

Facility

1. The Technology Core:

the central business district, where you can find:

- The Landmark Building – the park’s most distinguished tower, representing renewable energy.
- The Boulevard – a spacious, tree-lined main access route connecting the Campus Core to the Landmark Building.
- The Campus Core – home to technology-driven, specialised university campuses.
- The R&D Core – a low-rise development with incubator facilities for technological innovations.

2. The Mixed Use

Strip frames the gateway into TechnoPark from Sheikh Zayed Road. It is also the Main commercial development with mega mall, retail outlets, showrooms and business class hotels and houses two 8-storey office buildings.

3. The Industrial Zone

The Industrial zone is the park’s manufacturing arm, purposefully located on the north-western outer rim to minimise environmental impact and traffic disruption. It Features showrooms, hotels and office buildings.

License

TechnoPark provides with all the assistance you need to set up and begin operating in minimum time.

TechnoPark issues the following types of licenses:

- Industrial Activities License - To carry out the manufacturing and assembling of specified products.
- Professional Activities License - To carry out specified professional activities.
- Trading Activities License - To carry out the import, export, distribution and storage of specified items.

Dubai Textile City

The USD 4 billion plus Dubai Textile Mart, which sits at the center of a 1.4 billion booming consumer market extending from the CIS to Africa and the Indian subcontinent, has emerged as one of the most modern and profitable trading points in this region's commercial map. Hands held by the Textile Merchants Group (TEXMAS), the apex body in the UAE textile merchants, which was established in 1990, the trade has now earned the reputation of being run by some of the most professionally motivated and trusted merchants in the country. The formation of TEXMAS at the beginning of the last decade was itself a landmark development for the textile trade in the UAE. One of the significant things to note about TEXMAS membership profile is that it reflects the cosmopolitan environment of the UAE business as the membership runs across a cross section of nationalities including traders from Afghanistan, India, Iran, UAE, Pakistan and Oman. These traders together re-export to over 45 countries. The first and foremost condition on setting up a company into Dubai Textile City is to have a company in the local market of the UAE with the legal entity as LLC, then after the LLC company has to become a member TEXMAS and then it can get a license in Textile City.

1	<ul style="list-style-type: none"> Permitted activity: 	<ul style="list-style-type: none"> Trading in textile related products
2	<ul style="list-style-type: none"> License available: 	<ul style="list-style-type: none"> Trading license
3	<ul style="list-style-type: none"> Types of entities: 	<ul style="list-style-type: none"> FZE, FZC, Branch, Subsidiary and JV
4	<ul style="list-style-type: none"> Shareholder: 	<ul style="list-style-type: none"> Can be individuals or corporate entity
5	<ul style="list-style-type: none"> Director: 	<ul style="list-style-type: none"> Individuals only
6	<ul style="list-style-type: none"> Share capital: 	<ul style="list-style-type: none"> Minimum of AED 50,000/- per shareholder
7	<ul style="list-style-type: none"> Audit: 	<ul style="list-style-type: none"> Audit report is not required to be filed with the free zone authorities
8	<ul style="list-style-type: none"> Estimated time: 	<ul style="list-style-type: none"> Minimum of 4 working weeks to obtain final trade license
9	<ul style="list-style-type: none"> Key benefits: 	<ul style="list-style-type: none"> Ownership, Taxation, Repatriation Advantage. 100% foreign ownership. 100% repatriation of capital and profits. No personal income tax No corporate tax.

International Humanitarian City

International Humanitarian City (IHC) a place that is a catalyst for changing the world and the way we think about it. The first humanitarian hub of its kind, IHC enables humanitarian organisations through its global reach, infrastructure and custom designed services to facilitate aid and development efforts across the globe. IHC is a global humanitarian and aid hub, which aims to facilitate aid and development efforts by providing local and international humanitarian actors with facilities and services specifically designed to meet their needs.

An independent free zone authority created by the Government of Dubai¹, IHC consolidates Dubai as an essential link in the humanitarian value chain. Leveraging the proven Dubai free zone model, IHC addresses the specific needs of the humanitarian aid and development community, while grouping them in a secure environment that fosters partnerships, social responsibility and global change.

At the same time, IHC offers commercial companies the opportunity to operate from a highly strategic location in a free zone environment that is adapted to their particular industry, while benefiting from attractive incentives and an array of value-added services.

IHC believes that humanitarian operations will benefit from the integration of commercial suppliers of goods and services. By co-locating, nonprofit and commercial entities will be encouraged to share best practices to increase their operational efficiencies and improve institutional learning.

IHC is a non-religious, non-political and nonprofit organisation.

Acting both as an operational platform and a physical and virtual meeting place, IHC provides nonprofit organisations, companies, donors, volunteers, governments and those striving to save lives with a common ground for collaboration.

Where hope becomes action.

What makes the IHC offer unique?

- A community of local and international humanitarian nonprofits and commercial suppliers
- A fully integrated one-stop-shop, with access to procurers, suppliers and business partners and fast multi-modal logistics capabilities
- Office, warehousing and meeting facilities
- A comprehensive set of value-added services
- Increased visibility and networking opportunities
- A platform for humanitarian information and knowledge exchange
- A socially responsible operating environment.

Kizad, Abu Dhabi

Unique in its magnitude and master planning, Kizad offers local and international investors easy access to local, regional and international markets, within a low operating cost environment and a meticulously designed setting to make doing business easy. Kizad is set to transform the way Industrial zones help businesses become and stay successful.

Kizad is an integral part of the Abu Dhabi Economic Vision 2030. With industry at the heart of its diversification program, this Vision sets a clear roadmap to achieve sustainable growth of the Emirate's economy and the prosperity of its people. Kizad, with its massive 417sqkm of prime industrial land and world-class facilities, is a statement of intent by the Government of Abu Dhabi, creating a wealth of opportunities on a global scale.

With vertically integrated clusters setting new standards of industrial efficiency, competitive lease prices and some of the lowest utilities costs in the world in a tax-free setting, Kizad will provide your business with unparalleled, long term competitive commercial advantages.

Kizad benefits from adjacency to the state-of-the-art Khalifa Port, being located almost equidistant between Abu Dhabi and Dubai, as well as from extended frontage along the E11 Highway connecting the two cities. An additional arterial roadway is planned, linking Kizad to Al Ain, the UAE's largest inland city.

Divided Into Distinct Areas

Area A: Industrial and Commercial Activities

Kizad consists of Areas A and B, on either side of the E11 Highway. These areas are dedicated for industrial and commercial activities supported with ancillary uses such as community services and retail. Because of its vast expanse, Kizad Area A is purposely divided into specific area plans to afford a myriad of industrial activities ranging from aluminum production, trading and logistics operations to healthcare equipment manufacturing.

Area B: Support Services and Amenities

Area B, although dedicated for industrial and commercial uses, further supports the industrial developments by providing support services and amenities such as workforce residential communities and retail uses. Kizad is dynamic and comprehensively designed for socio-economic sustainability thereby ensuring successful longevity. Kizad will provide the necessary infrastructure and services required to support industrial and business activities within a number of distinct areas structured to meet the needs of different industry types. The layout of the Industrial Zone ensures land use compatibility by taking into account transportation impact and a range of other conditions to ensure the environment in each area is appropriate for the businesses to be located within it.

High Impact Industry Areas

This area will be tailored to the needs of industries, such as smelters, heavy machinery manufacturers, chemical and petrochemical plants, glass and pulp and paper mills.

Light Industry Areas

Light impact manufacturers such as food packagers and processors and pharmaceutical manufacturers will be located between residential areas and high-impact industry areas.

These two areas will be further subdivided into the industry clusters previously mentioned.

Clean Areas

The main focus within these areas is on technological sectors, encompassing alternative energy, incubator and research facilities and electrical components.

Commercial Areas

Helping to create sustainable communities for residents, staff and visitors, the commercial areas will boast showrooms, shopping, leisure and recreation facilities, service centres, a hotel and office park.

Residential Areas

Kizad will offer workers residential communities offering comfortable accommodation in convenient locations as near to the workplace as UAE Regulations allow. Recreational and entertainment facilities, mosques, shops, medical and emergency services are planned..

Abu Dhabi Airport Free Zone

As part of the Government of Abu Dhabi's Vision 2030 for the Emirate to become a dynamic economy, it has established Abu Dhabi Airports Free Zone to own, operate, develop and manage business/logistics parks and business centers – known as Free Zones – around our airports.

Target Sectors

The purpose of Abu Dhabi Airports Free Zone is to establish a unique and preferred business destination for international and local organizations in the following sectors:

- Aviation
- Aerospace
- Defense
- Airport services
- Logistics
- Cargo
- Freight
- IT & Telecommunication
- Pharmaceuticals
- Consultancy management
- Trading
- Light industries
- Marketing & events

Other service providers engaged in aviation-friendly and light industrial activities seeking to gain advantage from close proximity to the airport for import and export purposes.

The Free Zone Advantage

Companies opting to set up at any of Abu Dhabi Airports Free Zone's precincts enjoy Free Zone benefits such as:

- 100% corporate and income tax exemptions
- 100% foreign ownership
- 100% repatriation of capital and profits
- No custom duties
- Close proximity to the airport to facilitate imports and exports
- Quick, simple registration and licensing within our "One-Stop-Shop"
- 24/7 security and access to facilities
- In-house IT and telecommunications services
- Independent regulations
- Easy access to regional markets.

What Abu Dhabi Airports Free Zone Offer

Abu Dhabi Airports Free Zone's jurisdiction spreads across more than 12km² around Abu Dhabi International Airport, covering five commercial districts:

- Logistics Park
- T3 Business Park
- Southside Destination Village
- Al Falah District
- Airport City

Abu Dhabi Airports Free Zone provides a wide range of facilities and infrastructure such as:

- Warehousing units
- Commercial offices
- Furnished offices (Flexi-Desk and Executive options)
- Partially fitted-out offices
- Plots of land for development
- A full range of essential amenities to serve everyday business needs
- Retail licenses.

It delivers the full spectrum of Free Zone services in a "One-Stop-Shop" environment such as:

- Company registration
- Licensing:
 - Trade licenses
 - Service licenses
 - Light industrial licenses
- Leasing & Property Management
- Rapid visa processing for employees.

Businesses can operate as any of the following legal entities:

- Branch of a Foreign or Local Company
- Free Zone Limited Liability Company (FZ-LLC) – Natural/Individual
- Free Zone Limited Liability Company (FZ-LLC) – Corporate

Abu Dhabi Global Market

Abu Dhabi Global Market is a broad-based international financial centre for local, regional and international institutions, established in accordance with the Federal Law No (8) of 2004, Federal Decree No (15) of 2013, Cabinet Resolution No (4) of 2013, and Abu Dhabi Law No (4) of 2013.

ADGM's three independent authorities – the Registration Authority, the Financial Services Regulatory Authority (FSRA) and ADGM Courts – ensure that our business-friendly environment operates in line with international best practice that are recognised by major financial centres across the world.

In collaboration with other International Financial Centres, global institutions and regulators, Abu Dhabi Global Market develops and supports member institutions with the regulatory framework, legal jurisdiction and attractive business environment they need for sustainable business growth.

Abu Dhabi Global Market is a key pillar of Abu Dhabi's Economic Vision, acting as a catalyst for the growth of its dynamic financial services sector in the UAE. At the heart of Abu Dhabi Global Market is a premise of long-term partnership and collaboration – locally, regionally and internationally. Central to this is a confidence which is born out of ambition rather than necessity. This blueprint of exchange between the UAE and the world beyond promises to grow in the future as this country becomes an even greater influential hub for global commerce.

UAE Industrial Park/Higher Corporation for Specialised Economic Zones / Zones Corporation

ZonesCorp established as a government- backed higher corporation for specialized economic zones, is directly responsible for the establishment, management and operation of specialized economic zones in Abu Dhabi. ZonesCorp is committed to developing the industrial infrastructure in the capital, cultivating a business climate conducive to growth and driving the diversification of the economy.

ZonesCorp has much to offer businesses in the way of value propositions and operational incentives. With specialized zones in the Emirate of Abu Dhabi boasting of state-of-the-art facilities, cutting-edge utilities, logistics capabilities, advanced communications infrastructure and workers residential cities, investors can easily set up their businesses in the country's capital and set their industrial projects in motion in a matter of a few weeks.

Their Unique Value Proposition aims at building a solid diversified economic base for the Emirate of Abu Dhabi. It is based on two core competencies:

- They develop, operate, manage and administer zones of special economic nature in strategic locations throughout the Emirate of Abu Dhabi - tailored for specific needs.
- They leverage on an enhanced financial capability by procuring new specialized clusters through Public-Private Partnership management structures and involvement of the ZonesCorp Infrastructure Investment Fund.

Main Objectives Includes

- To drive the development of specialized economic zones in Abu Dhabi in line with the governments multipronged economic strategy.
- To prompt the development of a broad spectrum of local industries in order to vary the sources of national income.
- To cultivate an investment climate conducive to professionalism so as to attract UAE nationals, develop their skills and integrate them into the workforce.
- To encourage the establishment of small and medium-sized specialized industries by offering operational incentives.
- To spread awareness about the "specialized economic zone" business model through tactical PR and advertising campaigns.
- To promote creativity and endorse innovation in all industries pertinent to specialized economic zones.
- To engender regional economic integration by synchronizing between various projects to be launched in the GCC and neighboring Arab countries.
- To benefit from the expertise of international organizations in the field of specialized economic zones establishment with the aim of adhering to global best practices.

Industrial City of Abu Dhabi

Industrial City of Abu Dhabi is located at the outskirts of Abu Dhabi with total area spans 40 square kilometres, benefiting from utility connections, benefiting from Communication networks, convenient transport links to Europe, Asia and the MENA Region.

FEATURED SECTORS

- Engineering & Metals
- General Industries
- Chemical and Plastic
- Oil and Gas services
- Construction Materials
- High Tech Industries
- Advanced Factory Units

Each cluster in ICAD has world class infrastructure and benefits from reliable utility and communication networks. There are multiple entry points and free-flowing junctions on fully-developed roads, storage and logistic hubs that have quick and easy access to multiple ports and airports. Market connectivity is easily attainable by sea, land and through more than 200 air routes from Abu Dhabi and Dubai.

The cost-effective and flexible plot size appeals to a wide variety of investors. Just as appealing is the mix of heavy and light industries that range from steel and metals to construction material, logistics, food and oil and gas.

Planned, constructed, and operated under the highest technical and environmental standards, ICAD complements existing and planned initiatives featuring adequate scalability to accommodate future demand and growth.

Masdar City

In 2008, Masdar City broke ground and embarked on a daring journey to develop the world's most sustainable eco-city.

Through smart investments, Masdar City is successfully pioneering a "green print" for how cities can accommodate rapid urbanisation and dramatically reduce energy, water and waste.

The city, which combines ancient Arabic architectural techniques with modern technology and captures prevailing winds is naturally cooler and more comfortable during the high summer temperatures.

But the sun is also a blessing. Harnessing the sun's rays, Masdar uses clean energy generated on site from rooftop solar technology and one of the largest photovoltaic installations in the Middle East.

At the city's core is an innovation engine. The city is growing its neighborhoods around the Masdar Institute of Science and Technology, a research university dedicated to cutting-edge solutions in the fields of energy and sustainability. The institute is Masdar City's nucleus, which extends a spirit of innovation and entrepreneurship throughout the city. Companies can foster close ties with the university and partner to spark economic growth and accelerate breakthrough technologies to market.

With a few thousand people living and working in Masdar City, it is on its way to realising its vision. But this is only the beginning. Masdar City continues to add new businesses, schools, restaurants, apartments and much more, creating the diversity of any major, modern city. When complete, 40,000 people will live in Masdar City, with an additional 50,000 commuting every day to work and study.

Benefits of Setting Up in Masdar Free Zone

Masdar City offers numerous incentives for entities to establish themselves within the community. The benefits include:

- The freedom to operate with 100 percent foreign ownership and no partner in the United Arab Emirates;
- The ability to move capital and profits outside the UAE without restrictions;
- No import tariffs, corporate taxes or individual taxes;
- Zero currency restrictions;
- And a strong framework of intellectual property protection.
- Centrally located at the crossroads of the Middle East and Asian markets, with a strong global logistics and transport network, Masdar City also offers businesses a one-stop platform for opening a business. The services include company registration, office leasing and fast-track visa processing in a safe and friendly working environment.

Twofour54 Free Zone

Twofour54 in Abu Dhabi was established in the year 2008 to provide a business hub for local, regional and international media companies. It is a media free zone set up by the Media Zone Authority (MZA) to position Abu Dhabi as a regional center of excellence and a prominent player in the Arabic media content creation industry. MZA aims to create a platform for the inclusive development of Arabic media and entertainment content in all spheres (Events, Film, Digital Media, Publishing, Music, Broadcast, Gaming, etc.). Additionally, Twofour54 supervises the implementation of the operational policies and strategies in the free zone. Prominent media houses like Thomson Reuters Foundation, CNN, Financial Times, BBC, etc. have set up their operations in Twofour54. It also has a talent pool of nearly 4,000 professionals, including 600 freelancers.

There are 3 major key pillars through which twofour54 delivers its advanced infrastructure for setting up business in Abu Dhabi free zones. They are:

- Twofour54 Tadreeb (the training academy)
- Twofour54 Ibtikar (innovation and support)
- Twofour54 Intaj (state-of-art production facilities)

It is supported by business enabler twofour54 Tawasol (one-stop-shop).

Types of Business Setup in TwoFour54

There are 4 types of business structures available at twofour54 Abu Dhabi media free zone:

1. Free Zone Limited Liability Company (FZ-LLC)

It is an independent legal entity which includes independent shareholder(s), corporate shareholder(s) or a mixture of both.

2. Freelancer

This allows individuals to operate as a freelance professional in the twofour54 media zone and entertainment hub.

3. Branch of a Company

A branch is a representation of an existing company in the UAE or a foreign company operating in one of the jurisdictions in the UAE.

4. Start-Up

A start-up can be chosen by an entrepreneur wanting to start a business in digital content creation and/or content production for TV, web and cinema.

Business Licensing Segments in twofour54

Twofour54 focuses on media and entertainment organizations and issues license primarily for the following segments:

- Mobile
- Gaming/Animation
- Production
- TV/Film
- Online
- Publishing

Key Benefits of Setting Up a Business in twofour54

- Full foreign ownership
- No taxes on corporate income
- Full repatriation of capital and profits
- No taxes on import and personal income
- 30% cash allowance for international film and TV production
- A unique campus environment with facilitated business networking
- On-site media training academy for media professionals
- On-site HD production and post-production facility

Hamriyah Free Zone

Hamriyah Free Zone is fast becoming one of the cornerstones of the United Arab Emirates industrial development. As the Next Generation Free Zone, Hamriyah Free Zone is ensuring that its management is flexible and dynamic besides being an investor oriented free zone.

The free zone provides the following facilities:

- Access to 14 meter deep water port and 7 meter deep inner harbor
- Land lease for 25 years renewed for similar period
- Pre-built warehouses, factories and office units for lease
- Executive office suites in the International Business Center for lease
- On-site accommodation for investors' personnel including recreating center and health club
- Transportation via road, 3 sea ports and Sharjah International airport Highly developed infrastructure and telecommunications links
- Abundant and inexpensive energy (Electricity: \$0.05 per KWA, Water: \$8.17 per 1000 Gallons)
- Liberty for personnel recruitment and economical workforce Affordable cost of living

License

- The type of License that will be issued to an applicant company will be defined by the activity the applicant company is permitted by the Hamriyah Free Zone to undertake as follows:

1. Industrial License

- This license will allow the holder to import raw materials for the purpose of manufacturing, processing and/or assembly of specified products. The finished products may be exported outside the UAE. If the finished products are sold in the UAE market then the License holder will need to do this through a local distributor or a local agent.

2. Commercial License

- This license will allow the holder to import, export, sell, distribute and store items specified on the license. If the finished products are sold in the UAE market then the License holder will need to do this through a local distributor or a local agent.

3. Service License

- This license allows the holder to carry out the services which are specified on the license within the Hamriyah Free Zone only.

Sharjah Airport International Free Zone Authority

Easily accessible to seaports on the Indian Ocean (Port Khor Fakkan) and the Arabian Gulf (Port Khalid), SAIF-Zone is built adjacent to the Sharjah International Airport.

Business Incentives

SAIF-Zone offers its patrons extremely attractive incentives. Geographically well positioned with excellent land, sea and air links to the rest of the world, SAIF-Zone is a dream come true for the businessman. Modern premises equipped with the latest facilities and a secure environment ensures maximum returns for the investor.

- Abundant and inexpensive energy
- Competitive fee structure, property & management leases 24-hour hotline for equipment and provision of labour Sponsorship & visas for all staff
- Access to ports in the Arabian Gulf & Indian Ocean
- International air links across the world via Sharjah International Airport
- Back-up services include those provided by the Sharjah Chamber of Commerce and Industry, Sharjah Expo Center and over 40 international banks.

Legal Status

- **Branch of a Company:** Companies established in U.A.E or a foreign country may establish a branch in SAIF-Zone. Branches are of two types classified as hereunder
 - Branch of a Foreign Company. The SAIF-Zone branch of such company shall have the same name as that of the parent company.
 - Branch of a U.A.E Company - The SAIF-Zone branch of such company shall have the same name as that of the parent company.

Free Zone Company (F.Z.C): Two or more legally capable persons natural or juridical can establish a Free Zone Company in SAIF-Zone with a minimum capital of AED.150,000/- or its equivalent in US Dollars.

- **Free Zone Establishment (F.Z.E):** A legally capable person natural or juridical can establish a Free Zone Establishment in SAIF-Zone. In other words there shall be only one owner (shareholder) in a Free Zone Establishment. The minimum amount of capital required is AED.150,000/- or its equivalent in US Dollars.

USA Regional Trade Center Free Zone

Sharjah, in the past few years, has been continually trying to make a business-friendly environment for its entrepreneurs, a reason why one should set up a business in Sharjah. The government of Sharjah has been friendly towards entrepreneurs, forming several policies that attract foreign investment, emulating the success of Dubai. Company setup in Sharjah free zone is a hassle-free task. As is already known, Sharjah has 5 free zones. The USA Regional Trade Center a popular one amongst them.

The USA Regional Trade Center (USARTC) was established in the year 2011 as a part of Sharjah's objective to promote Sharjah as a hub for international business and turn it into an investment-driven economy.

The USARTC offers Small and Middle-Sized Enterprises (SMEs) the opportunity to grow commercially and expand their trade in the Middle East and North Africa (MENA) region. It helps SMEs by assisting them in exploring and entering the market, including establishing a presence in the UAE and other regions.

Services Provided by the USA Regional Trade Center

- Business consultancy
- Logistics
- Conference hosting
- Import and export
- Distribution
- Business setup
- Business expansion
- Benefits of Setting Up a Business in the USA Regional Trade Center
- Zero corporate tax
- Zero import and export tax
- Zero personal tax
- No currency restrictions
- Full foreign company ownership
- Support for US businesses and economic expansion
- Flexible and customizable services for client needs
- Low barriers to MENA market entrance
- Creation of immediate presence in the region

Sharjah Media City (Shams) Free Zone

Shams Free Zone is the newest free zone in the country. The free zone is issuing trade licenses to companies, freelancers and entrepreneurs in the industries of technology and media as well as other creative industries.

Entrepreneurs, SMEs and start-ups are provided access to establish and grow their businesses both locally and globally with Shams Free Zone. Shams offers creative and talented individuals and community centered services and serves as a great venue for setting up and launching businesses.

Shams is located in the Emirate of Sharjah, a region servicing tourism, business and talented individuals with world-class infrastructure, amenities and services supporting a diverse economy, culture, education and modernity.

Benefits of setting up a Shams Free Zone Company

- Company setup options starting from AED 9,050/year (inclusive of VAT)
- Wide range of business activities available
- Allocation of up to 6 visas on a shared desk facility
- No deposits required
- Investor visas available with no age restrictions
- Physical presence in the UAE not required to incorporate your new company
- Ability to appoint Corporate Directors and Corporate Managers for your company
- Simple and quick online registration process
- All Company documents issued within days
- Companies will be limited in liability
- 100% repatriation of capital and profits
- 100% Foreign Ownership permitted
- 0% corporate or personal tax
- Located 15 minutes from Dubai Airport and 5 minutes from Sharjah Airport

Ajman Free Zone

Ajman Free Zone, established in 1988, was granted autonomous status under the Amiri decree no.3 of 1996 issued by H.H. Sheikh Humaid Bin Rashid Al Nuaimi, Ruler of Ajman. Ajman Free Zone Authority has been named as the sole regulatory agency for Free Zone in the Emirate.

The formation of the Free Zone Authority in 1996 has given great impetus to industrial activity in the Free Zone which has resulted in quadruple growth in the number of companies during the last few years. Ajman Free Zone with its package of unbeatable advantages is widely recognized as entrepreneurs' haven today.

Strategically situated at the entrance of the Arabian Gulf, Ajman Free Zone is well placed to serve the eastern and western markets.

Advantages:

- Competitive pricing on premises.
- The most economical wage structure and easy access to vast work force.
- Total exemption from all import and export duties.
- Lowest lease prices.
- World class infrastructure.
- Lowest tariffs in the region.

License

- **Trading License:** This license is issued to foreign/UAE companies/Free Zone Entities who wish to carry out trading activities in the Free Zone.
- **Professional Services License:** This license issued to foreign/UAE companies/Free Zone Entities who wish to carry out the business of providing professional/services in the Free Zone.
- **Industrial License:** This license is issued to foreign/UAE companies/Free Zone Entities who wish to carry out manufacturing activities in the Free Zone.
- **National Industrial License:** This license is issued to a registered company operating in the Free Zone who meets the following eligibility criteria:
 - The company should be registered with GCC with a GCC national/s owing majority share holding of 51% or above.
 - At least 40% of the manufacturing process should be accomplished in the Free Zone.
 - Companies holding a National Industrial License are eligible for duty free exports to the member states of the Arab Gulf Cooperation Council.

Type of Free Zone Entity

Free Zone Entity: FZE is an entity formed and registered in Ajman Free Zone and regulated by the Free Zone Authority, in accordance to the Amiri Decree No. 3 of 1988 as amended by the Amiri Decree No. 3 of 1996. FZE enjoys a separate legal entity and is owned (100%) by either a person or a corporate body. Such an entity must have a capital equivalent to US \$ 50,000. The

liability of the owner is limited to the amount of the share capital.

Free Zone Company (FZC): Licenses under this category are issued to Free Zone Companies incorporates within the Free Zone in accordance with the Amiri Decree. Such company enjoys a separate legal identity and the liability of its owner is limited to the value of the paid up shared capital.

Branch of a Local Company (BLC): Licenses under this category are issued to companies holding a valid license from any UAE licensing authority except from other Free Zones.

Ajman Media City Free Zone

Ajman Media City free Zone is the newest free zone and started its operation in 2018. It is based in Al Zohra area of Ajman. The free zone provides licensing options for media related activities.

Advantages:

- Attractive license packages suitable for startups.
- The availability of low-cost license package with no visa option
- Opportunity to combine trading and services activities under one license provided activities are related.
- Provision of registration of company without investor being physically present in free zone.
- Fast approvals

License

Trading License: This license is issued to foreign/UAE companies/Free Zone Entities who wish to carry out trading activities in the Free Zone.

Professional Services License: This license issued to foreign/UAE companies/Free Zone Entities who wish to carry out the business of providing professional/services in the Free Zone.

Media related activities- Printing, Publishing, Radio/TV broadcasting etc.

Type of Free Zone Entity

Free Zone Entity: FZE is an entity formed and registered in Ajman media city free zone with single shareholder

Free Zone Company (FZC): Licenses under this category are issued to Free Zone Companies with more than one shareholder

Ras Al Khaimah Economic Zone (RAKEZ)

With a reputation for affordability, flexibility and broad geographical reach, RAKEZ is rapidly emerging as the preferred business hub in the region, from which investors, of all origins and industries, can easily access and branch into the emerging markets committed to simple and customer-friendly procedures and recognized throughout the region.

The clients enjoy the widest range of facilities and value added services, and benefit from key advantages such as:

- Transparent laws and regulations
- No restrictions on capital and profit repatriation
- Strategic location, with proximity to Dubai
- State-of-the art communication facilities
- Easy access to Ras Al Khaimah's airport and sea ports

License Types

- RAKEZ provides license registration options in both free zone and non-free zone areas.
- FZ-LLC a company with 1-50 shareholders
- Branch companies (for companies based in UAE as well as out of UAE)
- Offshore registrations
- In non-free zone areas Sole establishment, LLC (2-50 shareholders) and branch of foreign company registrations are possible.

RAK Maritime City

RAK Maritime City (RAKMC) was created as a Free Zone by Emiri Decree in Dec 2009, and the Decree also confirmed the boundaries of the new maritime city. The benefits are as diverse as the offerings. RAK Maritime City free zone combines the best in international port facilities with inherent business advantages for companies seeking cost efficient, secure, transparent and customized business answers with the best in tax benefits. RAK Maritime City will be zoned into areas for specified use – retail, warehousing, general cargo handling, industrial production and manufacturing, tank storage and shipbuilding or repairs. Each will be able to incorporate companies as both FZE and FZC entities, along with a choice of trading licenses, work permits and UAE residence visas. With significant land expansion available for individual companies, outstanding access to a variety of markets, low operating costs, and complete business support in all your ventures, RAK Maritime City is your maritime gateway into the region.

RAKMC Free Zone will issue both FZE and FZCo licenses. Work permits and residence visas will also be issued by RAKMC. The Free Zone is divided into two types of plots - plots with a linear quay length as part of its boundary, and giving exclusive use of that quay, and plots with no direct access to the water and located away from the harbour area. RAKMC is also zoned into areas for specified uses – retail, warehousing, general cargo handling, industrial production and manufacturing, and ship building and repairs. Plots are available with a minimum size of 25,000 sqm. However, plots with an exclusive berth / jetty of 100 linear meters will necessitate a minimum leased area of approx 40,000 sqm. Lease agreements are being offered for 25 years, renewable for a further 25 years. Longer leases will be considered for periods up to 99 years.

Ras Al Khaimah Media Free Zone

RAK Media Free Zone was established in January 2006. It is considered to be a direct competitor of Dubai Media City. Due to the increasing cost of living in Dubai, they are making this zone as an advantageous choice for investors who want a cheaper way of living. With its benefits with a matching affordable environment, investors find it enticing, hence the RAK free zone company setup is rising in this place.

Companies that fall under the category of media should be thinking of having their business set up in UAE in RAK Media Free Zone. Business owners will find that this zone is dedicated and designed to meet their requirements so as to effectively perform as a media company. Among UAE free zones, RAK Media Free Zone is considered to be economical, even compared to its competitor, Dubai Media City.

Companies in Ras Al Khaimah Free Zone can choose from the following types of licenses: publishing licenses, TV and radio broadcasting licenses, production and post-production licenses, media and marketing services licenses, business and information services licenses, music production and recording licenses, etc.

RAK Free Zone company formation, like any other free zones, has procedures that people should follow to have a business setup in UAE. Once it has been decided by your side that you would like to conduct a company formation in UAE in this zone, business consultants should be contacted. Admittedly, almost every company, if not all, that decided to RAK Free Zone business setup has leaned on the expertise of consultants. This is because these people are able to provide you with the information that you need to obtain about UAE free zones or anything with regard to company formation in UAE. In knowing the RAK Free Zone company setup cost along with RAK Free Zone flexi desk cost, your budgeting will be even more accurate as it will be applied for the whole year of a business operation. Another benefit that you gain in having a consultant on your side is that you can ask about RAK Free Zone virtual office and even about the Ras Al Khaimah Free Zone trade license. And the main advantage, of course, is that they are the ones who go to the concerned departments where your documents should be submitted, like Ras Al Khaimah Economic Department. Having the right people on your side will ensure the proper way of carrying out your RAK Free Zone business setup.

Benefits:

For more than a decade, RAK Free Trade Zone UAE has been a continuous help in the UAE's thriving economy, making it one of the go-to business hubs in the world. Investors are being attracted to its advantages with regard to a lot of things (e.g., RAK Free Zone flexi desk cost and the fact that they have a RAK Free Zone virtual office). This is why RAK Free Zone business setup is becoming notable in the UAE.

The below list is what gives the business owners a reason to establish their business in this zone.

100% foreign ownership

In UAE Free Trade Zones, you wouldn't need to have or find a local sponsor in order for you to begin with your business setup. This is unlike in the mainland that a local sponsor is needed who gets 51% of the shares of the company that you establish. This is one of the main advantages of being in a free zone. There is a 100% ownership that is guaranteed for you when you form your company in RAK UAE Free Zone.

Location

It also has a strategic locational East and West, where trade and commerce happen. It has access to markets in the Middle East, Africa, the Indian Subcontinent, and the CIS countries. This is an ideal place for expatriates.

Tax exemption

Value-added tax (VAT) has found its way to the land of UAE. It has been implemented in the nation for some goods and services. However, it should be noted that the government does not require anyone to pay corporate and income taxes to them. This can still be seen as a big advantage for people who are looking for this kind of tax exemption.

There are a lot more that RAK Media City is capable of offering to businessmen. The following additional benefits are listed below for you to see:

- 100% repatriation of capital and profits
- Single window clearance (one-stop shop)
- No currency restrictions

Fujairah Free Zone

Fujairah Free Zone is adjacent to the Port of Fujairah. Companies established here have easy access to all Arabian Gulf ports, the Red Sea, Iran, India and Pakistan on weekly feeder vessels.

A fortunate combination of geographic location, with access to world's major shipping routes, a fine port & airport, and streamlined procedures, make the Free Zone of Fujairah an ideal place for business.

Accessibility & personal touch of the staff, and management. Fujairah Free Zone offers a unique Connectivity - logistic link to the world; by air through Fujairah International Airport, by sea through Fujairah Sea Port, and by road to Middle East & beyond. Investors benefit by way of faster transaction, accruing due to shorter delivery times.

- Multi-access to neighboring and global markets by land, sea and air.
- Variety of investment fields.
- Investor-oriented policies
- Efficient and cost-effective investment facilitation
- Full investment security
- Served by Fujairah Port and the Fujairah International Airport.

Business Licenses

- **Trading & General Trading License:** Authorised to import, export and re-export agreed and specified commodities. The license entitles the investor to carry out import, export and re-export freely in the Free Zone and outside the UAE For local distribution; the Authority can arrange special permits with the relevant Government departments for hassle- free operations.
- **Warehousing License:** This license entitles the investor to use the warehouse as a hub for major distribution, benefiting storage and packaging of goods.
- **Manufacturing License:** All projects must be fully insured including manpower and machinery. All manufacturing license approvals are subject to the identification of the following:
 - Area requirements - built-up and open space
 - Electricity, water and manpower requirements
 - Environmental aspects of the project

Type of Ownership

New Business Entities

- Free Zone Establishment (FZE) – an entity with a sole owner.
- Free Zone Company (FZC) - an entity owned by 2 - 5 partners.

Branches:

New business entities can have two types of Branches,

- a branch of UAE residing company
- a foreign company residing outside the UAE

Fujairah Creative City

Fujairah Creative City was launched in 2007, Creative City has been providing clients with reliable services in a successful business environment. Creative City sets up professional environment for individuals and businesses working in a broad spectrum of business fields including media, events, consulting, education, communication and marketing, music and entertainment, design and technology complementing existing media clusters in the region and further facilitating creativity in all fields.

Creative City provides licenses to individuals within a Free Zone economic environment. It regulates and processes all government formalities, work permits and visas and simplifies the process of a business startup. Providing a complete one-stop solution, Creative City offers customized services and business packages and ensures professional assistance to its clients during every step of a company formation process.

Benefits of establishing a company within Fujairah Creative City:

- 100% ownership
- No capital requirements
- 100% tax free
- Complete support services
- Flexible business packages
- No mandatory office lease
- Successful professional business environment
- No auditing
- International reach.
- Business activities:
 - Advertising
 - Architecture & Technology
 - Audio & Visual
 - Broadcasting
 - Business & Communications
 - Consultancy
 - Photography & Videography
 - Design
 - e-Commerce.

Umm Al Quwain free zone

Umm Al Quwain Free Trade Zone is located in Umm Al Quwain which is one of seven Emirates in UAE and just 45 km away from Dubai. Umm Al Quwain Free Zone is friendly, progressive and situated in prosperous emirate with the modern infrastructure. Umm Al Quwain free zone is situated close to the UAE's primary seaports and within one hour's drive of Dubai International Airport and Sharjah International Airport, ensuring easy access to the rest of the world.

Umm Al Quwain Free Zone authority is government backed autonomous arm of Umm Al Quwain emirate in the UAE which is authorized to incorporate business companies with "trade license". Umm Al Quwain Free Zone companies enjoy the same legal status inside the UAE as any other Free Zone company in the matters of trade, contracts, imports, exports, visa, and banking.

Umm Al Quwain Free Zone companies engaged in international trade can release their goods and keep them as stocks meant for re-export without payment of customs duties. Umm Al Quwain Free Zone company can freely do business internationally.

Advantages of Umm Al Quwain free zone

- 100% tax free operations for Umm Al Quwain free zone.
- 100% company ownership
- 100% repatriation of capital and profits
- No restrictions on hiring foreign employees
- No share Capital Requirements
- 100% import and export tax exemption within the Free Zone
- Full range of business activities permitted
- Simple and fast registration process
- Office, warehouse and land availability
- Special concessions via Umm Al Quwain free zone sea port
- Investor-friendly rules and regulations
- Ideal location for SMEs and micro-businesses

Difference between Free Zone and Non-Free Zone

Key Differentiators	Free Zone	Non-Free Zone
Foreign Ownership	100% Foreign Ownership	51% local ownership for LLC companies and 100% expatriate ownership for select activities with local agent.
Income & Corporate Tax	100% Tax Free	100% Tax Free
Business Horizon	Meant for export only. However, entities in free zones can also sell products within UAE through local distributor or agent licensed in UAE. But for such sales normal customs duty is levied	Free to do business within UAE
Capital & Profit Repatriation	100% Allowed	100% Allowed
Hiring of Expatriates	No restrictions	UAE labor laws will apply

License Types

License Type	Activities Covered
Industrial License	Manufacturing, processing, assembling, packaging etc.
Trading License	Import, export, distribution, warehousing, trading (maximum 5 activities from similar product lines or 3 different activities from 2 different product lines).
General Trading	All kinds of trading, import, export, warehousing and distribution of goods
Commercial License	Activities covering contracting, repairing, maintenance, renting, shops, restaurants etc.
Consulting / Services License	Any type of management, business, industrial consultancy or professional services including real estate consulting.
Media License	All kinds of media and communication services.

Clients whose activities fall under different categories will be issued separate Licenses for each category of activity (e.g. a licensee who is carrying out both trading and manufacturing will be issued two Licenses one for the trading activity and the other one for manufacturing. Whenever possible, a separate Lease will be drawn for each activity.

Type of Entities

Entity Type	Explanation
Establishment (FZ/IZ)	This can be formed only by one shareholder, either an individual (a person) or a non-individual (a company).
Limited Liability Company (FZ-LLC/LLC)	This type of company can be formed by a minimum of two or more partners. The partners can be individuals (people), non-individuals (companies) or a combination of individuals and companies.
Foreign or Local Branch	Under this category licenses are issued to companies holding a valid license from any licensing authority either in UAE or outside UAE.

Comparison chart for tax laws in UAE

S.No.	SUBJECT MATTER	VAT LAW	EXCISE TAX LAW	COMMON CUSTOMS LAW
	Applicability	Both on Goods and Services	Only on specified goods	Only on Goods
1	Free Zone/ Designated Zone	VAT Law recognises only Designated Zone which is a specific fenced geographic area and has security measures and controls in place to monitor entry and exit of individuals and movement of goods to and from the area. The Cabinet has issued a decision listing 25 Free Zones as the Designated Zones in UAE. Article 51 stipulates the treatment for goods and services supplied from/to Designated Zone as some of the transactions are taxable.	Any fenced area intended to be a free zone that cannot be entered or exited except through a designated road, and any area designated by the Authority as being subject to the supervision of a Warehouse Keeper, in accordance with the Executive Regulation of Excise Law.	Free zone means a part of the state's territories in which commercial or industrial activities are exercised under the respective laws of that state. Any goods entering that zone are considered to be outside the customs zone and shall not be subject to the usual customs control and procedures.
2	Business	Any activity conducted regularly, on an ongoing basis and independently by any person, in any location, such as industrial, commercial, agricultural, professional, service or excavation activities or anything related to the use of tangible and intangible properties.	Any activity conducted regularly, on an ongoing basis and independently by any person, in any location, which involves or may involve trading in Excise Goods.	Not defined
3	Goods	Physical Property that can be supplied including real estate, water and all forms of energy	Goods that will be determined by Cabinet Decision as being subject to Tax. Excise goods as per Article 2 of the Cabinet Decision No.38 of 2017 includes (a) Tobacco and tobacco products (b) Carbonated Drinks (c) Energy Drinks	"Goods "means any natural, material, animal, agricultural, industrial or intellectual product. "Type of goods means the description as mentioned in the customs tariff nomenclature.

S.No.	SUBJECT MATTER	VAT LAW	EXCISE TAX LAW	COMMON CUSTOMS LAW
4	Temporary Transfer of Goods / Goods under tax suspension	As per Article 42 of the DL, If goods are transferred temporarily from domestic market for Designated Zone or outside the State for completing the manufacturing or repair in order to re-import them into the State, the value of supply when re-imported shall be the value of the services rendered.	Not applicable in excise law	Specific provisions are made to ensure that temporary transfer does not attract customs duty. Goods are permitted to be brought into the State without payment of Customs Duty provided a Cash Deposit or Bank Guarantee is provided while the goods are under suspension
5	Goods in Customs Warehouse / Goods in transit	As per Article 42 of the DL, If goods are transferred temporarily from domestic market for Designated Zone or outside the State for completing the manufacturing or repair in order to re-import them into the State, the value of supply when re-imported shall be the value of the services rendered.	Does not attract Excise Tax as long as the goods are not meant for the local UAE market	No customs duty and goods can be held for one year in the customs warehouse without any payment of duty
6	Import for Re-export	As per Article 42 of the DL, If goods are transferred temporarily from domestic market for Designated Zone or outside the State for completing the manufacturing or repair in order to re-import them into the State, the value of supply when re-imported shall be the value of the services rendered.	On production of Export documents any Excise Tax already paid can be claimed back	180 days allowed for bringing goods without payment of customs duty under the Import for Re-export Bill of Entry. If the goods are not exported within 180 days then customs duty will apply.

S.No.	SUBJECT MATTER	VAT LAW	EXCISE TAX LAW	COMMON CUSTOMS LAW
7	Personal Effects and Household Items	According to Article 47(2)(c) used personal effects and household items transported by expats moving to live in the UAE for the first time is not subject to any Tax where they are under exemption from Customs Duty under the GCC Common Customs Law	Excisable goods brought for personal consumption are not subject to tax if brought as part of the personal luggage upon arrival in the country	Upto AED 3,000 there is no customs duty and above that there is application of Customs Duty.
8	Point of Tax	At the earliest of one of the three, viz., (a) release of invoice (b) collection of consideration (c) delivery of goods or services	When the goods are released into the State	When the goods arrive in the State
9	Responsibility for Tax	(a) A taxable person who makes any taxable supply or deemed supply (b) Importer of Concerned Goods (c) Registrant who acquires goods as stated in 48(3) of the DL	Any person who conducts or is involved in the activity of manufacturing, import, release of goods from Designated Zones, stockpiling of Excise Goods	Any person who imports the goods into the State
10	Warehouse Keeper/Stock piler	No relevance in VAT Law	Special concept of significant importance and relevance under the Excise Tax as tax is levied on the Stockpiler and Warehouse Keeper who releases goods into the State	No relevance in the Customs Law except for the Customer Warehouse and maintenance of records by the warehousekeeper.
11	Customs Warehouse	VAT Law has included in the list of designated zones the Customs Warehouse in Al Quoz and Al Qusais. Customs Warehouse is also recognised under Article 47 of the ER for general rules on Imports	Included in the definition of Designated Zones	Very pertinent concept for allowing private entities to designate their own warehouse as a Customs Bonded Warehouse so that goods can be brought and kept for one year without payment of customs duty

S.No.	SUBJECT MATTER	VAT LAW	EXCISE TAX LAW	COMMON CUSTOMS LAW
12	Importer/Importer on Record	There is no concept of Importer on Record under the VAT Law. The Importer as per VAT Law is the person whose name is listed as an importer of the goods on the date of import for customs clearance purposes and for services it is the recipient of these services. However, VAT Law recognises an agent who is acting on behalf of the principal.	Person whose name appears for customs clearance purposes as the Importer of the Excise Goods on the date of import.	Importer means natural or legal person importing the goods.
13	Tax Calculation	On the net consideration payable as per the Invoice raised by the supplier (invoice method of computing) and for imported goods or services on the landed cost	On the designated retail sales price	On the Value declared or determined by Customs Authorities
14	Tax Evasion	Under Article 77 a person who is not a registrant acquires goods under Clause 3 of Article 48 claiming that he is a Registrant shall be considered as having committed Tax Evasion. No where else there is any mention of Tax Evasion in the VAT Law.	Article 23 stipulates (a) bringing excise goods into or out of state without payment of relevant due tax (b) producing transferring, acquiring, storing, transporting or receiving excise goods the due tax of which was unpaid with the intention of avoidance (c) placing false distinguishing marks on excise goods (d) submitting false, counterfeit or unreal documents, returns and records	Stringent provisions with penalty for any transaction on which customs duty has not been paid
15	Tax Return	VAT Return to be filed not later than 28th of the month following the relevant Tax Period	Monthly - calendar month	Monthly for Customs Warehouse
16	Tax Return	Monthly or Quarterly as stipulated by FTA in each case	Monthly - calendar month	Monthly for Customs Warehouse

List of Free Zones in UAE

No	Emirate	Free Zone	Website
1	Dubai	Dubai Airport Free Zone	http://www.dafz.ae
2	Dubai	Dubai Auto Zone	http://daz.ae
3	Dubai	Dubai Design District	http://www.dubaidesigndistrict.com
4	Dubai	Dubai Flower Centre	http://www.dubaiairport.com/en/cargo-logistics/dubaiflowercentre/pages/home.aspx
5	Dubai	Dubai Gold and Diamond Park	http://www.goldanddiamondpark.com
6	Dubai	Dubai Healthcare City	http://www.dhcc.ae
7	Dubai	Dubai International Financial Centre(DIFC)	http://www.difc.ae
8	Dubai	Dubai Maritime City	http://www.dmca.ae
9	Dubai	Dubai Multi Commodities Centre(DMCC)	http://www.dmcc.ae
10	Dubai	Dubai Silicone Oasis	http://www.dsoa.ae
11	Dubai	Dubai Technology Entrepreneurship Centre	http://www.dtec.ae
12	Dubai	Dubai Internet City	http://www.dic.ae
13	Dubai	Dubai Outsource Zone	http://www.doz.ae
14	Dubai	Dubai Media City	http://www.dmc.ae
15	Dubai	Dubai Studio City	http://www.dubaistudiocity.com
16	Dubai	Dubai Production City	http://www.dpc.ae
17	Dubai	Dubai Knowledge Village	http://www./dkp.ae
18	Dubai	Dubai International Academic City	http://www.diacedu.ae
19	Dubai	Dubiotech	http://www.dsp.ae
20	Dubai	The Energy and Environment Park	http://www.dsp.ae
21	Dubai	Dubai World Central(Dubai South)	http://www.dubaisouth.ae
22	Dubai	Jebel Ali Free Zone	http://www.jafza.ae
23	Dubai	Dubai Industrial City	http://www.dubaiindustrialcity.ae
24	Dubai	Technopark	http://www.technopark.ae
25	Dubai	Dubai Textile City	http://www.texmas.com
26	Dubai	International Humanitarian City	http://www.ihc.ae
27	Abu Dhabi	Kizad	http://www.kizad.ae
28	Abu Dhabi	Abu Dhabi Airport Free Zone	http://www.adafz.ae
29	Abu Dhabi	Abu Dhabi Global Market	http://www.adgm.com

No	Emirate	Free Zone	Website
30	Abu Dhabi	UAE Industrial Park/Zones Corporation	http://www.zonescorp.com
31	Abu Dhabi	Industrial City	http://www.zonescorp.com
32	Abu Dhabi	Masdar City	http://www.masdar.ae
33	Abu Dhabi	Twofour54	http://www.twofour54.com
34	Sharjah	Hamriyah Free Zone	http://www.hfza.ae
35	Sharjah	Sharjah Airport Free Zone Authority	http://www.saif-zone.com
36	Sharjah	USA Regional Trade Center Free Zone	http://www.usartc.com
37	Sharjah	Sharjah Media City Free Zone	http://www.shams.com
38	Ajman	Ajman Free Zone	http://www.afz.gov.ae
39	Ajman	Ajman Media City Free Zone	http://www.amcfz.ae
40	Ras Al Khaimah	RAKEZ	http://www.rakez.ae
41	Ras Al Khaimah	RAK Maritime City	http://www.rakmaritimecity.ae
42	Ras Al Khaimah	Ras Al Khaimah Media Free Zone	http://www.rakez.ae
43	Fujairah	Fujairah Free Zone	http://www.fujairahfreezone.com
44	Fujairah	Creative City	http://www.creativecity.ae
45	Umm Al Quwain	UAQ Free Zone	http://www.uaqftz.ae

Taxability under Excise Law

Excise was introduced with effect from October 1, 2017 wide Federal Decree Law No. (7) 2017 on Excise Tax and Cabinet Decision No. (37) of 2017 on Excise Regulation on certain commodities.

Few Definitions:

Excise Goods: Goods that will be determined by Cabinet Decision as being subject to Tax. Excise goods as per Article 2 of the Cabinet Decision No.38 of 2017 includes (a) Tobacco and tobacco products (b) Carbonated Drinks (c) Energy Drinks.

Business: Any activity conducted regularly, on an ongoing basis and independently by any person, in any location, which involves or may involve trading in Excise Goods.

Free Zone / Designated Zone: Any fenced area intended to be a free zone that cannot be entered or exited except through a designated road, and any area designated by the Authority as being subject to the supervision of a Warehouse Keeper, in accordance with the Executive Regulation of Excise Law.

Excise Goods and Tax Rates

Excise Goods	Tax rates
Tobacco and Tobacco Products	100%
Carbonated Drinks	50%
Energy Drinks	100%

List of Designated Zones under Value Added Tax in UAE

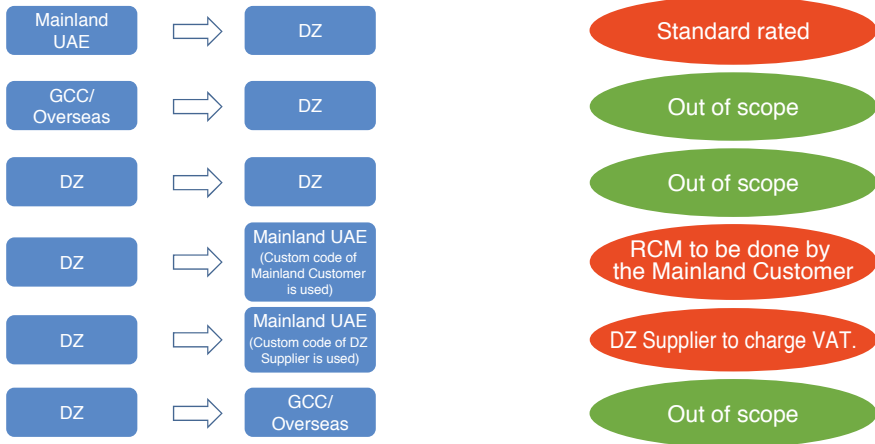
S.No.	Name of Emirate	Name of the Free Zone
1	Abu Dhabi	Free Trade Zone of Khalifa Port
2	Abu Dhabi	Abu Dhabi Airport Free Zone
3	Abu Dhabi	Khalifa Industrial Zone
4	Abu Dhabi	Al Ain International Airport Free Zone
5	Abu Dhabi	Al Butain International Airport Free Zone
6	Dubai	Jebel Ali Free Zone (North-South)
7	Dubai	Dubai Cars and Automotive Zone (DUCAMZ)
8	Dubai	Dubai Textile City
9	Dubai	Free Zone Area in Al Quoz
10	Dubai	Free Zone Area in Al Qusais
11	Dubai	Dubai Aviation City
12	Dubai	Dubai Airport Free Zone
13	Dubai	International Humanitarian City-Jebel Ali
14	Sharjah	Hamriyah Free Zone
15	Sharjah	Sharjah Airport International Free Zone
16	Ajman	Ajman Free Zone
17	Umm Al Quwain	Umm Al Quwain Free Trade Zone in Ahmed Bin Rashid Port
18	Umm Al Quwain	Umm Al Quwain Free Trade Zone on Sheikh Mohammed Bin Zayed Road
19	Ras Al Khaimah	RAK Free Trade Zone
20	Ras Al Khaimah	RAK Maritime City Free Zone
21	Ras Al Khaimah	Al Hamra Industrial Zone-Free Zone
22	Ras Al Khaimah	Al Ghail Industrial Zone-Free Zone
23	Ras Al Khaimah	Al Hulaila Industrial Zone-Free Zone
24	Fujairah	Fujairah Free Zone
25	Fujairah	FOIZ (Fujairah Oil Industry Zone)

Taxability of Goods and Services in designated zones under UAE VAT

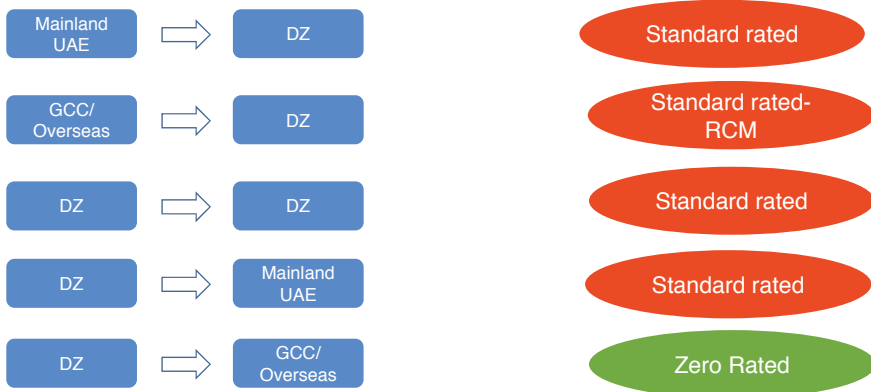
Taxable or not

Taxable		Exempt
Standard rated	Zero rated	Exempt
Everything which is not zero-rated, exempt or out of scope.	<ul style="list-style-type: none"> • Export of goods and services • International transport and related supplies • Air, Sea and Land means of transport and associated services • Supply of precious metals • First supply of residential properties within 3 years of completion • Qualifying education services • Preventive and basic healthcare services • Supply of Crude Oil and Natural Gas • First supply of building converted from non-residential to residential buildings. • First supply of buildings specifically designed for charities. • Supply of goods and services related to means of transport. • Supply of aircrafts or vessels designated for rescue and assistance by air or sea. 	<ul style="list-style-type: none"> • Residential properties following the first supply • Bare land with no civil engineering • Margin based financial services • Local passenger transport • Life insurance
Out-of-Scope		
Supplies which are:	<ul style="list-style-type: none"> • Not made in UAE • Not made in the course or furtherance of a business 	<ul style="list-style-type: none"> • Made by a person who is not registered for VAT • Transfer of business as a going concern • Supplies by certain Government entities (yet to be determined)

Implications on supplies of goods



Implications on supplies of services



* DZ - Designated Zone

** RCM - Reverse Charge Mechanism

*** GCC - Gulf Cooperation Council



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