

# UAE Free Zone Guide

2014-2015

**STA**  
SUNIL THACKER  
ASSOCIATES



Particulars	Jebel Ali Free Zone- Dubai	Dubai Airport Free Zone	Dubai Media City	Dubai Internet City	Dubai Gold & Diamond Park	Dubai Health Care City	Dubai Multi Commodities Centre	Sharjah Airport Intern'l Free Zone	Hamriya Free Zone -sharjah	Ajman Free Zone	Ras Al Khaimah Free Zone
Location	Dubai	Dubai	Dubai	Dubai	Dubai	Dubai	Dubai	Sharjah	Sharjah	Ajman	Ras Al Khaimah
Contact	800-JAFZA	+971 4 299 5555	+971 4 391 4555	+971 4 391 1111	+971 4 362 7777	+971 4 324 5555	+971 4 424 9600	+971 6 5178231	+971 6 5263333	+971 6 7011555	800 7111
Infrastructure and Service Rating (1 - 5)	4.5	4.6	4.7	4.7	4.5	4.7	4.5	4	4.3	4	4
Nature of licences- investor can obtain 1 or more licence	Trading	Trading	Media & Marketing	Software, Internet and Multimedia	Manufacturing	Health care	Trading and repairing	Commercial (limited to 3 products)	Commercial	Trading	Commercial
	Service	Service	Event Management	Telecommunications and Network	Office	Education	Construction, Real Estate and Business Services	Service	Service	Service/ Professional	Consultancy and Service
	Industrial	Industrial	Service Providers (includes freelance permits)	Service Providers	Retail	Service Providers	Hotels and Restaurants	Industrial	Industrial	Industrial	Industrial
	National Industrial		Hotels & Property Management	Hotels & Property Management		Hotels & Property Management	Mining, Transportation, Financial intermediation and several others		National industrial		National Industrial (Application to be made to Ministry of Economy)
General trading	investors can import, distribute and store all items as per Jafza rules and regulations	Dubai Airport Free Zone's Internal rules and regulations apply	As per regulations of DMC	As per regulations of DIC	Allowed	Not Allowed	Allowed	Allowed	Allowed	Allowed	Allowed
Types of ownership	FZE	FZE	FZCO-LLC, FZE, Freelancer	Branch of a foreign or UAE based company	FZE	FZCO-LLC	Limited Liability Company	FZE	FZE	FZE	FZE
	FZCO - multiple shareholding	FZCO - multiple shareholding maximum of 50.	Branch of a foreign or UAE based company	Incorporation of a Free Zone Limited Liability Company (FZCO-LLC) with individuals as shareholders	FZCO	Branch of a foreign Company	Branch company of foreign as well as local	FZCO - multiple shareholding. Max 5 shareholders. In certain cases may extend to 7 shareholders	FZCO - 2 to 5 shareholders.	FZCO - multiple shareholders	FZCO - multiple shareholding
	Branch of a foreign company	Branch of a foreign company	Incorporation of a Free Zone Limited Liability Company (FZCO-LLC) with corporate entity/entities as shareholders	Incorporation of a Free Zone Limited Liability Company (FZCO-LLC) with corporate entity/entities as shareholders	Branch of a foreign Company	Branch of a UAE Company	Subsidiary company of foreign as well as local	Branch of a foreign company	Branch of a foreign company	Branch of a foreign company	Branch of a foreign company

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Branch of a local UAE company	Branch of a local UAE company	Incorporation of a Free Zone Limited Liability Company (FZCO-LLC) with individuals as shareholders	Branch entity	Branch entity	Branch entity	Branch entity	Branch of a local UAE Company	Branch entity	Branch of a local UAE Company	Branch of a local UAE Company	Branch of a local UAE Company
Minimum capital required	An FZE registration requires AED 1,000,000 or USD 272,109.	Capital for incorporating an FZE is AED 1,000 or USD 273	"For LLC minimum paid up capital is AED 50,000 or USD 13,606 except Broadcasting TV segment and Broadcasting Radio Segment where minimum paid up capital is AED 2,500,000 or USD 680,273"	New Incorporation of a FZ - LLC requires to show a proof of minimum capital of AED 50,000 or USD 13,606.	Capital required for Free Zone Establishment / Company AED 100,000 (US\$ 27,397) for a sole Proprietorship and AED 50,000 (US\$ 13,698) for each partner in a partnership.	FZCO-LLCs incorporated in Dubai Healthcare City are required to have minimum paid up capital of AED 50,000 for Commercial and AED 300,000 for Clinical	"Minimum share capital of a company is AED 50,000 or USD 13,606 per shareholder. "	FZE requires AED 150,000(min ) or USD 40,817	FZE requires AED 150,000 or USD 40,817.	FZE requires min capital of AED 185,000 or USD 50,000.	FZE requires AED 100,000 or USD 27,247
	Capital for FZCO license is AED 500,000 or USD 136,055	FZCO requires AED 1,000 or USD 273 per shareholder. (Maximum limit is 50. Each share should be in the denomination of AED 1,000.	Over 140 different types of licenses available to investors and minimum capital requirement varies accordingly.	Branch establishments have no formal capital requirements	Capital requirement for each partner in case of partnership is AED 50,000	Branch establishments have no minimum capital requirements.	Different minimum issued share capital requirement can be changed for General Trading, Business Centre leases, Insurance Companies, Hotel Licenses or any other activity which authority may deem fit.	FZCO requires AED 150,000 ( min ) or USD 40,817	FZCO requires AED 150,000 or USD 40,817.	FZCO requires min capital of AED 500,000 or USD 136,055	FZCO requires AED 100,000 or USD 27,247
Offices	Annual rent cost USD 14,629 for 26.88 sqm in 1 story building. The annual rent cost from USD 517 - 681 per sqm in multi storey building. Insurance for single floor building is USD 28 while for others it is 1.10 per sqm.	Minimum space of 25 sqm is necessary to obtain a license and four employee visas are granted with every 50 sqm of rented office space.	Investors have the option to lease commercial offices, executive office, executive desk, furnished office, and retail units. Details made available upon application.	Investors have the option to lease commercial offices, executive office, executive desk, furnished office, and retail units. Details made available upon application.	Investors have the option to lease office units on a flexible lease option ranging between 1 and 5 years. Spaces range from 310 square feet upto 14,000 square feet. Units are provided on shell and core or fully fitted offices options.	A company can sponsor one employee per 80 sq. ft. of space leased. Land sales and leasing options are available in or next to the current developed zones. Lease and sale price vary based on size of office units/land parcels and these details are made available upon application.	Commercial properties available for freehold purchase or lease. Minimum office requirement for obtaining a trade license is 540 sq ft.	"1. from 21 sqm - AED 34,500 or USD 9,3882. from 24 sqm - AED 39,600 or USD 10,776 "	Size from 15 sqm to 42 sqm	"Annual Rent of old building is USD 6,806 or AED 25,000. Area is 16 sqm. The rent is new building is AED 1,500 per sq m"	Offices - USD 4,087 - 8,719 from 17 sqm to 45sqm

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Warehouses	Warehouse Units available in different sizes varying between 313 Sqm to 1,110 sq m	Light Industrial Units admeasuring 350 sqm and land sites admeasuring 2500 sq m available	Land space available for hotels, property management and facilities management companies. Details made available upon application.	Land space available for hotels, property management and facilities management companies. Details made available upon application.	Investors have the option to lease manufacturing units on a flexible lease option ranging between 1 and 5 years. Spaces range from 310 square feet upto 14,000 square feet. Units are provided on shell and core or fully fitted offices options.	Does not apply. Investors have the option to own and/or lease lands for development of healthcare facilities.	DMCC Tradeflow is a dedicated online platform for registering possession and ownership of commodities stored in UAE-based storage facilities. Please visit <a href="http://www.dmcc.ae/tradeflow">http://www.dmcc.ae/tradeflow</a> to read more	"Land admeasuring 2500 sqm (minimum area)From AED 35 per sqm, USD 9.35/sqm (rent)AED 5 per sqm, USD 1.36/sqm building permit. Warehouse admeasuring 125 sq m for AED 63,000; 250 sq m at AED 100,000 and 400 sqm at AED 120,000"	Prebuild warehouses admeasuring 276 sq m, 416 sq m and 276 sq m available on a twenty five year lease term renewable for further term of 25 years. Lease rates can be fixed for the first five years with a rent review at the end of this period.	Warehouse rent for 100 sqm warehouse is AED 350 per sq m and 500 sqm warehouse is available at AED 300 per sq m	Different sizes between 1600 sq ft and 4500 sq ft. Standard size of 2200 sq ft with storage space, office, toilet and pantry
Other Packages	-	Executive Suite - AED 12,000 per month includes manager desk, 4 workstations, 1 meeting table, furnitures and cabinets, 5 car pass	-	-	Retail outlets (approximately 300 square feet) - USD 70 to USD 80 (AED 255 to AED 290); Pre-built manufacturing units available (1000 square feet and above) for USD 360 (AED 1300), Showrooms (6500 square feet and above) for USD 55 (AED 200 and above); and office units (750 square feet and above) for USD 50 (AED 185) and above	-	Virtual office (e-Package) available for AED 13,000 per month.	-	Two Packages available for investors. Package 1 priced at AED 25,000 covers office rent for 10 sq m office, 1 year license (commercial or service license) fee, service charges, P O Box, telephone line charge and allotment of 4 resident visas (visa charges not excluded). Package 2 priced at AED 35,000 covers all of Package 1 but allows investors to carry out general trading activity.	Packages range from AED 21,950. Package includes one license. General Trading License priced at AED 27,150. E-commerce license priced at AED 28,050. Capital requirement for above packages is set at AED 185,000	
Refundable deposit	Office, warehouse and showroom - 10% of annual rent payable once	Security Deposit	"Depends on the activity. Entity operating in Media Business centre Executive office - USD 2,722 or AED 10,000"	Depends on the activity	15% of yearly unit rent is refundable security deposit.	Subject to application.	Visa Deposit	USD 953 or AED 3500	USD 953 or AED 3500	USD 1361 or AED 5000	Visa Deposit

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	-	-	Freelancer using "Hot Desk" facility of media business centre - USD 1,361 or AED 5,000		15% of yearly rent for fit out deposit which is also refundable.	-	-	-	-	-	-
Licence fees per annum	Trading license (7 Products) - USD 1,497 or AED 5,500	Trade - USD 2,722 or AED 10,000	As per the activity	As per the activity	AED 5,500 or USD 1,497	Clinical - Inpatient - Upto 5 specialities - AED 15,000 or USD 4,090	Trading license fee is approximately USD 4,090 or AED 15,000	General Trading = USD 4,082 or AED 15,000	Commercial license (5 items) = AED 2,750 or USD 749	General trading licence - AED 9,100 or USD 2,477	General Trading - USD 4,082 or AED 15,000
	Trading license (12 Products) - USD 2,449 or AED 9,000	Services - USD 2,722 or AED 10,000	Freelancer (upto 3 activity) - USD 2,041 or AED 7,500	Upto 5 activities within the segment - USD 4,082 or AED 15,000	License Fee for Free Zone Establishment / Company costs AED 5,500 (US\$ 1,506)	Clinical - Outpatient - Upto 5 Specialities - AED 15,000 or USD 4,090	-	Commercial = USD 2,041 or AED 7,500	General Trading License (more than 5 items) = AED 12,000 or USD 3,266	"trading - 1 activity - AED 3,900 or USD 1,0622 activity - AED 5,200 or USD 1,4153 activity - AED 6,500 or USD 1,769"	Commercial - USD 994 or AED 3,650
	Industrial License between USD 1497 (7 products) and USD 2449 (12 products)	Industrial - USD 2722 or AED 10000	-	Additional segments within Business Unit - USD 2722 or AED 10000	-	Healthcare Support - AED 15,000 or USD 4,090	-	Industrial = USD 2041 or AED 7500	Industrial license - AED 2750 or USD 749	Service License - AED 6500 or USD 1769	Industrial - USD 1361 or AED 5000
	Service License fee is USD 2,177 (Branch of UAE based company). Logistics license (Branch of UAE based company) is USD 8,164 per year.	-	-	Additional segments from other Business Unit(s) except Broadcasting, Publishing and Manufacturing - USD 2,722 or AED 10,000	-	Healthcare consultancy, Healthcare Education, R&D, Academic/education service, Outsourcing - AED 15,000 or USD 4,090	-	Service = USD 2,041 or AED 7,500	Service license - AED 2,750 or USD 749	Industrial License - AED 9,100 or USD 2,477	Consultancy/ Service - USD 2,041 or AED 7,500
	General Trading License - USD 8,164 or AED 30,000	-	-	-	-	-	-	"Others types of licenses offered- Aviation - USD 4,082 or AED 15,000Real Estate - USD 4,082 or AED 15,000Freight Forwarding - USD 2,313 or AED 8,500"	-	National Industrial License - AED 9,100 or USD 2,477	

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Registration of FZE	"USD 2,722 or AED 10,001. Along with MoA and AoA attestation of 3 copies each - USD 55 each copy2. Specimen signature - USD 14 per person3. Board Resolution - USD 55 per person "	USD 2,725 or AED 10,000	AED 10,000 or USD 2,725	Not Applicable	License Fee for Free Zone Establishment / Company costs AED 5,500 (US\$ 1,506)	Not Applicable	Depends on the activity	USD 2,722 or AED 10,000	AED 9,000 or USD 2,449	AED 100 or USD 28	USD 1,905 or AED 7,000
Registration of FZCO	"USD 4,082 or AED 15,001. Along with MoA and AoA attestation of 3 copies each - USD 55 each copy2. Specimen signature - USD 14 per person3. Board Resolution - USD 55 per person"	USD 4,082 or AED 15,000	AED 3,500 or USD 953	AED 3,500 or USD 953	FZCO - AED 20,500 or USD 5,600	FZLLC - AED 3,500 or USD 953	Depends on the activity	USD 2,722 or AED 10,000	AED 9,000 or USD 2,449	AED 100 or USD 28	USD 1,905 or AED 7,000
Distance from Dubai airport - by car	40 minutes	10 minutes	30 minutes	30 minutes	20 minutes	10 minutes	25 minutes	50 minutes	40 minutes	45 minutes	2 hours
Type of port	Sea port	Air port	Within Dubai	Within Dubai	Within Dubai	Within Dubai	Within Dubai	Sharjah Airport	Sea Port	Sea Port	Airport and Seaport
Sales in UAE	Sales can be carried out through an agent or distributor only at 4% custom duty. Free sales in UAE not allowed.	Sales can be carried out through an agent or distributor only at 4% custom duty. Free sales in UAE not allowed.	Dubai Media City offers licenses for entities engaged in services, broadcasting, hotels and leisure.	Dubai Internet City offers licenses for Software, Internet and Multimedia, Telecommunication and Network and IT services.	Dubai Gold & Diamond Park is a part of JAFZA.	Dubai Health Care City offers licenses for health care services, consultancy, regional head quarters, hotels and leisure services and property management services.	Free Zone Company can do business in UAE through an LLC incorporated in mainland with import/export license.	Sales can be carried out through an agent or distributor only at 4% custom duty. Free sales in UAE not allowed.	Sales can be carried out through an agent or distributor only at 4% custom duty. Free sales in UAE not allowed.	Sales can be carried out through an agent or distributor only at 4% custom duty. Free sales in UAE not allowed.	Sales can be carried out through an agent or distributor only at 4% custom duty. Free sales in UAE not allowed.

## General Documentation required for Free zone Incorporation.



### Individual applicants.

1. Application form of Respective Free Zone & Proof of Trade Name & Reservation.
2. Passport copy and or Emirates Id copy of proposed shareholders [in some cases, CVs of Shareholders may be requested.
3. Passport copy and or E. ID copy of proposed Manager.
4. Business Plan – to include brief summary, financial projections, Background of Shareholders & Manager
5. No objection Certificate from sponsor [if Manager is already sponsored by Employer or Husband.
6. Power of Attorney in favour of Manager or representative who will handle formation process.
7. Specimen signature on Free Zone's Authorization Card

### Branch of Foreign Companies:

1. Application form of Respective Free Zone & Proof of Trade Name & Reservation.
2. Passport copy and or Emirates Id copy of proposed shareholders [in some cases, CVs of Shareholders may be requested.
3. Passport copy and or E. ID copy of proposed Manager.
4. Business Plan – to include brief summary, financial projections, Background of Shareholders & Manager
5. No objection Certificate from sponsor [if Manager is already sponsored by Employer or Husband.
6. Power of Attorney in favour of Manager or representative who will handle formation process.
7. Certificate of Registration for Parent Company. To be notarized/Legalized before UAE Embassy in the Country where parent entity is duly constituted.
8. Memorandum / Articles of Association of Parent company [Notarized/Attested]
9. Specimen Signature on form.

### Free Zone Companies:

1. Application form of Respective Free Zone & Proof of Trade Name & Reservation.
2. Passport copy and or Emirates Id copy of proposed shareholders [in some cases, CVs of Shareholders may be requested.
3. Passport copy and or E. ID copy of proposed Manager.
4. Business Plan – to include brief summary, financial projections, Background of Shareholders & Manager
5. No objection Certificate from sponsor [if Manager is already sponsored by Employer or Husband.
6. Power of Attorney in favour of Manager or representative who will handle formation process.
7. Board Resolution of Corporate person calling for Establishment of Free Zone Company or Free Zone LLC
8. Proof of Capital from Bank operating within UAE [Does not apply in all Free Zones]
9. Specimen Signature

### DIFC Incorporation

Please visit the publications page at our website [www.ama.ae](http://www.ama.ae) and access our DIFC information pack which provides a detailed overview on operating within the DIFC.

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