

## **STARTING A BUSINESS IN UNITED ARAB EMIRATES**

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**“ A Day Without Business Services is like a Day Without Sunshine.”**

## **Umm Al Quwain Free Trade Zone**

**2022-2023**

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**DIBN BUSINESS SERVICES**

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## Umm Al Quwain Free Trade Zone

Located just 30 min from Dubai, we are fast becoming the destination of choice for global corporations, entrepreneurs and startups alike because of our SME-friendliness, favorable tax laws, low cost of living and labor, access to affluent consumers, top-notch infrastructure, speedy development, tech-savvy workforce and access to global markets. As a government organization directly operated by the UAE emirate of Umm Al Quwain, the UAQ Free Trade Zone offers great business stability and 1500+ business options<sup>7</sup>. Umm Al Quwain Free Trade Zone

### **SERVICES**

#### License Services

Getting a business license is the most important thing to do if you want to start your business in the UAE. This establishes the nature of your corporation and your company's legitimacy. Categorize your business according to the list provided by UAQ Free Trade Zone and you are ready to apply for your business license.

#### **Commercial License**

A business engaging in the purchase and sales of goods in the UAE or outside the UAE are granted commercial licenses. Commercial licenses authorise the import, export, storing and distribution of items specified on the license.

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## **General Trading License**

General Trading License Comes under the broader category of commercial license. This enables the licensee to trade in a wider range of activities and gives the freedom and flexibility to trade in any commodity which is permitted within the UAE.

## **Service License**

The UAE offers great opportunities for service providers and the services sector is one of the key drivers in the economic growth of the UAE. In UAQ Free TRade Zone, Service Licenses help service companies to incorporate companies, market and distribute their services.

## **Freelance Permit**

A freelance license or work permit allows an individual to operate as a freelance professional, and conduct business in one's birth name as opposed to a brand name or company. It is designed for individuals who operate in technology, media and film sectors, and is issued to talent roles, creative roles and selected administrative roles.

## **Industrial License**

A company incorporated in the UAE will need a business license if it is involved in the process of manufacturing and production, where natural material is transformed to finished goods. A physical office or warehouse is mandatory for Industrial Licenses and the UAQ Free Trade Zone offers leasable land units with the lowest operating costs in this region for industries.

## Entity

All entities formed in the Umm Al Quwain Free Trade Zone will be with limited liability (LLC)

Different types of entities can be established Umm Al Quwain Free Zone such as;

- A Free Zone Establishment (FZE), which is suitable for a single shareholder
- A Free Zone Company (FZC), which is for two and up to 50 shareholders
- A branch of an existing company.

Companies can be formed by individual or corporate shareholder. A natural person who is at least 21 years of age and upwards can be a shareholder.

Minimum capital of the company should be AED: 300,000/- (US\$82,000/- approx.) with a share value of AED: 1000/- per share (US\$274 approx.)

Every entity should have a natural person as manager, director and secretary.

With a quick and easy set-up process, documentation will be a breeze for investors. The advantages are multiple license options in the same entity, no proof of start-up capital required, and set-up remotely from the convenience of home or office anywhere in the world.

## Licenses

Umm Al Quwain free trade zone issues various types of licenses such as Commercial, Consultancy / service, Industrial & freelancer permit.

Clients can choose from more than 1500 business activities

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Multiple activities can be clubbed in one license. A commercial license can be issued with 10 similar or 3 different categories. A consultancy/service/freelancer permit can be issued with two activities. Entities can avail the option of dual license in the same entity i.e. an entity with a commercial license can obtain a consultancy / service license in the same company without the need of setting up another entity.

License validity will be minimum one year. Multiple year licenses can be issued

Licenses can be amended by changing the activities any time during the validity of the license

As a general rule with a free zone license, the client can do business inside the free zones or outside UAE.

To do business in the local UAE market, it has to be through an agent or distributor. There are no restrictions in participating in any exhibitions in the UAE.

License issuance is quick and easy.....

UAQ Free Trade Zone - the Business Licensing Department of the Government of Umm Al Quwain - has completed 34 years of operations as a business jurisdiction. The Free Zone Quwain offers a transparent legal framework with a host of licenses, allowing businesses to cover 1500+ business activities, giving it credibility and a solid foundation.

There are multiple licensing options for business entities, including FCZ (Free Zone Company) for 2–50 individual and/or corporate shareholders and FZE (Free Zone Establishment) for a single individual and/or corporate shareholders or a branch of a foreign/UAE company.

With a quick and easy set-up process, documentation will be a breeze for investors, and can operate the company in no time at all. The advantages are multiple license options in the same entity, no proof of start-up capital required, and set-up from the convenience of home or office anywhere in the world.

Explore UAQ FTZ license option to see what suits the best.

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## **Types Of Amendment**

- Manager, Director and Secretary change
- Addition, deletion or replacement of shareholder/s
- Increase in share capital
- Shareholder/s name or address or nationality change
- Change in shareholder/s E-Mail Id and contact number
- Upgrade and downgrade of license packages
- Adding or deleting or change of activity
- Change in company name

## **License Renewal**

Timely license renewal is important for smooth operations of companies registered with UAQ FTZ. UAQ FTZ licenses are issued for one year and to continue the business trade, the licenses should be renewed periodically.

Business cannot be carried out with an expired license and the shareholder/s or Manager of any company must renew the license every year. To avoid fines, renewal must take place before the license expires.

We notify our clients when their license validity expires so that they can promptly renew them.

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