

# HOW TO LAND YOUR COMPANY IN THE UAE

## - Company Formation & Support Overview -

Tuesday 2<sup>nd</sup> April 2019



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## DISCLAIMER

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## KEY POINTS OF DISCUSSION

- Introducing PRO Partner Group
- Options to establish in the UAE:  
Physical Presence – Mainland/Freezone
- Choosing the right local partner: Partner/Agent/Freezone
- Staffing: Labour and visa issues
- Commercial space requirements
- Other considerations: Tax/Audit/Import



# WHO ARE PRO PARTNER GROUP?



## ABOUT US

- PPG are a leading business formation and PRO support provider in UAE
- Since 2010 – extensive teams in Abu Dhabi, Dubai, Qatar and Oman
- Security, Support, Service
- Direct clients & Professional Services Firms
- Experienced, trustworthy and proactive
- We reduce complexity, eliminate stress and minimise time



## OUR SERVICES

- Company Formation
  - Mainland
  - Offshore
  - Freezone
- Visa & Licensing Services
- Corporate Sponsorship
- Commercial Agency
- Secure Local Partnership
- Business Structuring
- Commercial Space Requirements Assistance
- Corporate Support
- HR Services

## PHYSICAL PRESENCE

- Required for importing and physical trading of products and sales in the UAE
- Physical delivery of services within the UAE – regulated staff, labour contracts onshore
- Setting up a local presence will allow autonomy to work with multiple other firms



## PHYSICAL PRESENCE OPTIONS

<b>Limited Liability Company (LLC)</b>	<ul style="list-style-type: none"> <li>• 51%:49%</li> </ul>
<b>Foreign Branch – Branch/Rep Office</b>	<ul style="list-style-type: none"> <li>• 100% with NSA</li> </ul>
<b>BCB Incubator – Branch/Rep Office</b>	<ul style="list-style-type: none"> <li>• UK SME's</li> </ul>
<b>Freezone</b>	<ul style="list-style-type: none"> <li>• 100% owned – Freezone becomes 'local sponsor'</li> <li>• Key limitation freezone company can only conduct business within that freezone</li> <li>• Grey area for service companies and virtual delivery of products/services to the mainland</li> <li>• Government contracts and pre-qualification normally require mainland licence</li> <li>• Office costs can be much higher over the long term</li> <li>• Dual Licencing is now possible in some freezone's</li> </ul>



## CHOOSE THE CORRECT LOCAL UAE PARTNER

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- Companies looking for a joint venture – active partnership, true joint venture / acquisition
- For companies looking for full autonomy, full control of P&L, IP, Brand, staff can use a professional ‘nominee’ partner
- Corporate Partnership is preferable – prevents issues – succession, absences, disputes, blocks – and provides compliant PRO support
- PRO Support - Government Liaison point is normally the local partner, agent or Freezone – so vital to choose the right local partner with operational support
- Exit strategy – sale / transfer / closure
- PRO Partner Group can act as Corporate Nominee UAE shareholder
- Seek legal advice – robust legal documents

# COMPANY FORMATION FLOWCHART



**\*MAINLAND ENTITY**



## MAINLAND REQUIRMENTS

- Minimum 15sqm/200 sqft
- External door signage
- 2 to 3 visas

## FREEZONE REQUIRMENTS

- Flexidesk arrangements are available (up to 2 visas)
- Minimum 8sqm/86 sqft (3 visas plus)



## ACTIVITIES WHICH REQUIRE CERTAIN PREMISES

- Clinics\*
- Retail units
- Training institutes

*\*Clinics require a particular location and configuration*

## ACTIVITIES WHICH REQUIRE CERTAIN CORPORATE STRUCTURES

- Mainland Trading – needs onshore LLC
- Import needs an LLC for wholesaling
- Import of samples possible under other structures (i.e branch)
- Working with Government needs a closer look (i.e Abu Dhabi locations normally are required to work with Abu Dhabi Government)



- Value Added Tax (VAT)
  - Implemented in 2018
  - AED 375,000 annual turnover threshold
  - 5% transaction tax
- Import Duty
  - 5% on most goods
  - Applies from freezone to mainland
- Manufacturing UAE certificate of origin requires a mainland base
- Free movement of funds, zero income tax, zero corporation tax
- Audit
  - Branches, LLC's, VAT Qtr Returns





## LABOUR & VISA ISSUES

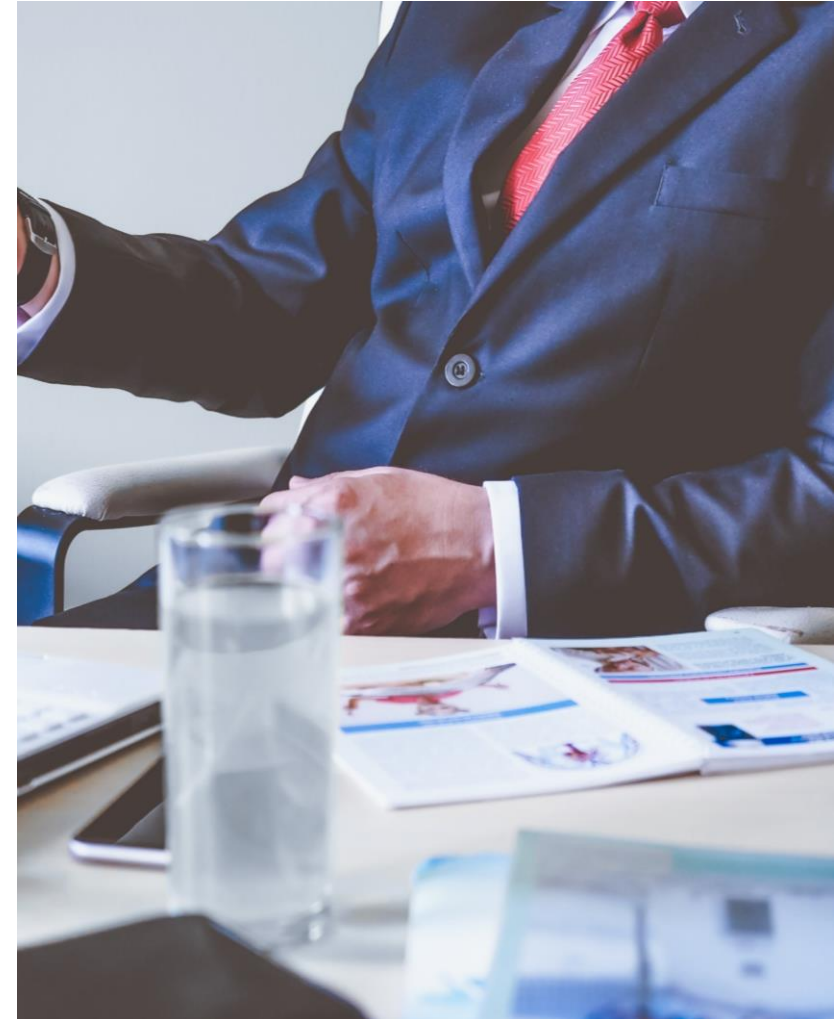
PRO Partner Group offer extensive PRO services, including:

- Visa processing, renewals and cancellation
- Resident, family and employee visas
- Certificate stamping from the Ministry of Foreign Affairs
- Visit visas extension
- Tourist visa applications
- CICPA Passes (Onshore & Offshore)
- GHQ Armed Forces Passes



## HOW TO LAND YOUR COMPANY IN THE UAE

- **Do your research**
- **Consider location, structure and staffing matters**
- **Choose the right Local Partner**



# How can PPG help you?

## PRO PARTNER GROUP

The Professional Partnership  
you can Trust

- ▶ SECURE LOCAL PARTNERSHIP
- ▶ BUSINESS STRUCTURING
- ▶ VISA AND SUPPORT SERVICES





COMPANY FORMATION | GOVERNMENT LIAISON | FOREIGN BRANCHES | PRO SERVICES

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