

Coronavirus



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UAE Free Zone Economic Stimulus Packages

On 28 March 2020, the Dubai Free Zones Council and several free zones across the United Arab Emirates announced financial and other support measures (the “**Measures**”) to mitigate the adverse impact of the COVID-19 pandemic on registered entities operating in such free zones. We have set out below a brief summary of the Measures adopted by some of the more commonly used free zones. Please note that the Measures listed are limited to fee reductions/waivers and extended timeframes for making mandatory filings, and are current as of 9 April 2020.

	Abu Dhabi Global Market (ADGM)	Dubai International Financial Centre (DIFC)	Dubai Multi Commodities Centre (DMCC)	Jebel Ali Free Zone
Registration and Renewal Fees	<ul style="list-style-type: none"> • Waiver of commercial licence renewal fees (excluding SPV and foundation licences) until 25 March 2021. • Waiver of business activity renewal fees until 25 March 2021. • Waiver of data protection renewal fees until 25 March 2021. • Waiver of annual Funds fees until 31 December 2020. • 100% refund of annual Funds fees already paid by Financial Services Regulatory Authority (“FSRA”) regulated entities for 2020. • 50% refund of supervision fees already paid by FSRA regulated entities for 2020. • 50% reduction of any new FSRA supervision fees to 	<ul style="list-style-type: none"> • A waiver of annual licensing fees payable to the registrar of companies on new registrations until 30 June 2020. • A 10% discount on renewal fees payable to the registrar of companies for all DIFC registered entities that are due for renewal until 30 June 2020. • 50% reduction in DFSA application fees for the remainder of 2020 and flexibility in requirements for permanent premises. • For domestic funds, a waiver of DFSA registration fees for the remainder of 2020. • Additional time, where reasonable, for submitting annual accounts and financial statement auditors report, with the exception of Reporting Entities. 	<ul style="list-style-type: none"> • Waiver of late licence renewal penalties until 30 June 2020. • Waiver of the company reinstatement fees until 30 June 2020. • 30% discount on licence renewal until 30 June 2020. • 80% reduction on the total company set-up fee if shareholders are residents of JLT. • Up to 50% reduction on the total company set-up fee along with a flexi desk for one year. • Flexible payment options for new DMCC Business Centre tenants and a complete digital process for business set-up from the comfort of their home. 	<ul style="list-style-type: none"> • Reduction of trading license fees for new incorporations as follows: <ul style="list-style-type: none"> — Trading type 1 license (reduction from AED 5500 AED 5000). — Trading type 2 license (reduction from AED 9000 to AED 5000). — General trading license (reduction from AED 30,000 to AED 15,000). • Waiver of registration fees for: <ul style="list-style-type: none"> — Free zone establishment (FZE) (originally AED 10,000). — Free zone company (FZCO) (originally AED 15,000).

	<p>be collected until 31 December 2020.</p>	<ul style="list-style-type: none"> • An extension of time for filing a number of other returns and reports. • Flexibility in meeting Authorised Individual obligations, including extending the amount of time that temporary cover can be in place. • A waiver of fees for applications relating to Authorised Individuals and flexibility in considering the workload that may be carried by those offering outsourced compliance services. • Temporary relief from Capital Requirements for those firms which do not hold or control Client Assets or hold Insurance Monies. • A waiver of application fees for rule waivers and modifications for the remainder of 2020 and a waiver of all automated late return fees for the remainder of 2020. • A waiver of the listing fees for new SME issuers 		<p>— Branch (originally AED 5000).</p>
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		in the DIFC for the remainder of 2020.		
Rents and Other Property Related Fees	<ul style="list-style-type: none"> Deferment of rental payments and service charges for office tenants at ADGM Square on Al Maryah Island for 2020. 	<ul style="list-style-type: none"> Deferring three months of commercial property rent into a six-month payment plan, in respect of properties owned by DIFC Investments Ltd. Applying a reduction on property transfer fees from 5% to 4% for any property sale (or any part thereof) during the three-month period. 	<ul style="list-style-type: none"> Waiver for all flexi desk and DMCC Business Centre penalties until the end of 2020. Waiver of the office sharing permit fee. Waiver of outdoor area rents for JLT retailers with existing contracts where DMCC is the building owner/landlord. Waiver of rent for two months for commercial establishments impacted by the latest Dubai Economy directive requiring a temporary closure where DMCC is the building owner/landlord. Three-month suspension of rent for flexi desk and DMCC Business Centre tenants renewals or monthly/quarterly instalments with no discount. 	<ul style="list-style-type: none"> Reduction of lease rates on a case-by-case basis.
Employment, Visas, Online Services and	<ul style="list-style-type: none"> Waiver of new temporary work permits issuance, renewal and late 	<ul style="list-style-type: none"> Facilitating the free movement of labour in and out of the DIFC to 	<ul style="list-style-type: none"> Signature on the new incorporation forms such as board resolution and 	<ul style="list-style-type: none"> Soft copies of KYC documents without notarization or

Miscellaneous Initiatives	application fees until 25 March 2021.	other free zones after an application is submitted to DIFC Government Services by transferring the visa or issuing a seconded access card, provided that the relevant employers have the necessary arrangements and contracts in place with their employees.	specimen signature can be done through video conference or in presence of an approved DMCC international service provider. Documents of the parent company can be forwarded by email as scanned copies of the original notarized documents or an online verification can be done through the public register.	attestation accepted for now until embassies are open in the relevant home country.
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