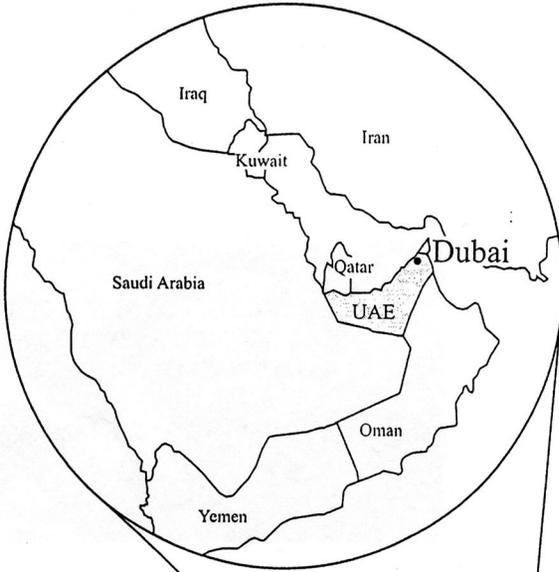


Strategic Planning for Doing Business in the United Arab Emirates

Russi J. Patel, FCA



Strategic Planning for Doing Business in the United Arab Emirates

A Presentation

By

Russi J. Patel, FCA

From the very beginning, the seven Emirates have retained their special development strategies and have modernized along distinctly different lines in a way that has strengthened the Federation as a whole. The private sector is now a major driving force in the economy. Challenges ahead include providing work for a growing number of young UAE nationals, defining an appropriate policy for long-term resident expatriates and finding a balance between traditional values and demands of modern industrial life. The UAE has entered the millennium as one of the Middle East's most dynamic countries and is rapidly becoming a model of what successful planning and vibrant enterprise can achieve and it has every reason to be proud of its achievements and confident about the future.

Dubai: May 14, 2003

Foreword



Writing the foreword to a serious work is always a challenge because it involves an extensive understanding of the subject. Russi J. Patel's "Strategic Planning for Doing Business in the United Arab Emirates," has major significance for me both in my capacity as an official of the Dubai Department of Economic Development and as a UAE national and I have read it with great interest.

Three decades after its formation, the UAE is poised to take its place among the leading lights of the global economy. Our wise rulers have drawn upon their far-sighted vision to chart a systematic course for the growth and development of the nation and, having followed their structured path, the country is now at the threshold of a new and bold phase of development.

We strongly believe in the crucial importance of economic diversification in order to attract greater foreign direct and portfolio investment. This will enable the UAE set new targets for growth. It is imperative that the private sector be given all the support we can muster—the spirit of competition it engenders will lend increased dynamism to business in the country.

We have explored a variety of opportunities in the non-oil sector and have paved the way for Foreign Direct Investment (FDI) in the areas of industry, tourism, trade, re-export, information technology and the media. The Dubai Technology, Commerce and Media Free Zone and other initiatives are only the first steps to creating a well-laid infrastructure for growth. A series of ambitious projects is underway in all these areas, enabling the UAE to be a genuine player in the global business community.

The UAE offers world-class infrastructure, the lowest tariff rates in the world, absence of red tape and sound business policies, promoting an investor-friendly environment. Our emphasis now is on the transparency of the government's role in setting up businesses in the UAE—this will establish a climate conducive to investment and growth.

Much of this work is perhaps known to the business community in general. However, the availability of updated information about licences, taxes, custom duties and legal formalities in the UAE is crucial for the serious international investor. Businessmen are always on the lookout for investor-friendly guides offering clear and unambiguous details on exploring investment opportunities constructively.

I would like to thank Russi Patel for this comprehensive work, which sets out recent developments in the business environment in the UAE.

Mohamed Ali Alabbar
Director General
Department of Economic Development
Government of Dubai



Mr. Russi J. Patel, FCA

Profile

Mr. Russi J. Patel, Fellow Member of the Institute of Chartered Accountants of India, is the Managing Partner of BDO Patel & Al Saleh and the Founder Partner of BDO Patel & Co., one of the leading professional firms established in the Gulf region for over 34 years. The firm is a member of BDO International, currently the world's fifth largest international accounting organisation and Mr. Patel is a member of its Council. Mr. Patel is also qualified and licensed to practice public accountancy in the United States and is a certified member of the Institute of Financial Consultants. He is also a recognized member of the Institute of Management Accountants, the Offshore Institute and the International Tax Planning Association. He is the Founder Member and Chairman for more than one period of office of the Dubai Chapter of the Institute of Chartered Accountants of India and has been recently appointed as member of the Representative Committee of the Auditors group constituted under the auspices of Dubai Chamber of Commerce & Industry. He was awarded the BDO Medal in October 1993 in recognition of his continuous commitment and significant contribution to the further development and promotion of BDO around the world and specifically in the Middle East region.

BDO Patel & Al Saleh

Chartered Accountants

P.O. Box 1961 Dubai UAE

Telephone: 04 222 2869 Telefax: 04 222 6624

E-mail: bdopatel@emirates.net.ae

www.bdo.ae

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Note:

This presentation has been compiled, with reference to available information and the provisions of relevant laws and decrees currently in force, as a guide to give the reader a broad overview of the investment and business opportunities in the UAE. It must however be emphasized that there may be several other aspects which may have a significant impact on decisions of the concerned investors and it would be advisable to seek appropriate professional help and guidance when deemed necessary.