

Our lawyers have advised clients on the establishment of limited liability companies, enterprises and branches in all 46 of the United Arab Emirates' free zones and China (Shanghai) Pilot Free Trade Zone.

Freeports and free trade zones are used globally to incentivise inbound and domestic investment by providing businesses with tariff exemptions on inputs or warehousing for subsequently exported goods. Other tax levers include tariff deferrals on goods entering the domestic market and tariff inversion for processed goods, as well as supporting economic activity through financial incentives like Research and Development tax credits (UK), regulatory flexibility and tax reductions. The sector-specific agglomeration opportunities offered by free zones are also a significant advantage.

Ports within free trade zones have historically been established in the Middle East, Asia and South America, with some use in Europe and Africa. We have been providing comprehensive legal advice on all aspects of the development of, and operations within, a free zone for more than 20 years.

Our unrivalled understanding, born from our track record in advising governments, ensures that we are the law firm of choice for companies incorporating, maintaining and liquidating entities established in many of the leading global free zones.

There are a number of considerations to factor into the establishment of a freeport. These include, but are not limited to:

- Types of companies that can be formed in the free port (e.g. industry admittance and limitation to foreign investment)
- Facilities offered (office units, industrial units, land sites, lease terms and associated costs)
- Formation procedure and steps
- Trade licences
- Banking and foreign exchange
- Registration fees
- Employment visas
- Governance



Experience

Company Formation

Our lawyers have advised clients on the establishment of limited liability companies, enterprises and branches in all 46 of the United Arab Emirates' free zones, including, for example:

- Jebel Ali Free Zone (JAFZA)
- Dubai World Central Free Zone
- Abu Dhabi Technology and Media Free Zone (TwoFour54)
- Fujairah Free Zone
- Dubai Multi-Commodities Centre (DMCC)
- Dubai Media City
- Ras Al Khaimah Free Zone
- Abu Dhabi Global Market (ADGM)
- Dubai Outsourcing Free Zone
- Kizad or the Khalifa Industrial Zone (Abu Dhabi)
- Ajman Free Zone
- Dubai International Financial Centre (DIFC)
- Dubai Airport Free Zone (DAFZA)
- Sharjah International Airport Free Zone
- Dubai Healthcare City
- Mazdar City Free Zone

Free Zone Legislative and Regulatory Drafting

- **Al Madina A'Zarqa/Blue City, Oman** – Advising on the creation of the Blue City/DigitalHub “data free zone” in Al Madina A'Zarqa, a new technology free zone in the Sultanate of Oman, including as to the legislative and regulatory requirements.
- **Dubai Healthcare City and Dubai Humanitarian City** – We have drafted amended laws and enabling regulations for two of Dubai's newer free zones, Dubai Healthcare City and Dubai Humanitarian City.
- **Abu Dhabi Global Market** – We have worked directly with the free zone's regulators (the Financial Services Authority) to develop policies on such matters as corporate continuance from other jurisdictions and rules concerning the handling of “on-shore” funds.

Corporate, Commercial and Regulatory

- **Large US telecommunications free zone** – Providing day-to-day legal and regulatory advice to operations of a large US telecommunications free zone operating as a special free zone outside of the confines of a free zone park, including licence renewals, specialised customs authorisations and contractual advice.
- **Leading US-based energy drink company** – Advising on the establishment of its trading wholly foreign-owned enterprise in China (Shanghai) Pilot Free Trade Zone.
- **Emirati logistics company** – Advised on joint venture arrangements for the development of the Jebel Ali Traders Market in Dubai.
- **Large global medical devices company** – Advising on incorporation in a Dominican Republic Free Zone, including obtainment of the necessary free zone licence and necessary tax and regulatory guidance.
- **Dow Chemical Company/Olin Corporation** – Acted globally in connection with The Dow Chemical Company's successful closing of a split-off transaction. In the Middle East, this involved a complex reorganisation of Dow's holdings in Dubai's largest industrial free zone, Jebel Ali Free Zone.

- **Large US textile manufacturer** – Advising on the shutdown of the local free zone operation in the Dominican Republic.
- **Ashland Inc./Valvoline** – Acted globally on the legal separation of Valvoline, formerly a division of Ashland, into a separate legal entity with annualised sales of US\$2 billion. In the UAE, this involved a complex restructuring of Ashland's subsidiaries within the DMCC Free Zone.
- **Leading US-based architecture design firm** – Advising on the establishment of its consulting wholly foreign-owned enterprise in China (Shanghai) Pilot Free Trade Zone, and representing the client to negotiate with a Shanghai-based state-owned enterprise on its design consulting services for the theatre of the state-owned enterprise.
- **DP World** – Advising on the US\$3.6 billion sale of JAFZA, one of the leading free zones in the world. Our work in this regard included having complete oversight of JAFZA's structure and operations, including the tax and duty framework for the day-to-day operations of the free zone.
- **DP World** – Advising on its joint venture with the Suez Canal Authority for the establishment, development and operation of a new mixed-use free zone, including port, industrial, residential and leisure facilities over a 30-square-kilometre area. Our role includes working with Egyptian counsel on the tax structuring of the development.
- **International investor group** – Advising on the establishment of a free zone refinery and industrial park development in Egypt, including on the tax aspects of the project structure.

Tax and Customs Duties

Tax and customs duties sit at the heart of Freeport policy. Freeports provide businesses with multiple customs duty and tax benefits.

We have a dedicated team of leading tax experts to help you understand, adapt to and anticipate developments in the world of taxation. We can help you navigate the customs duty and tax considerations relating to free ports, from policy design through to implementation. We are also ready to engage with you on the wider implications as tax and customs duty law continues to evolve.

International Trade Compliance

The benefits of global trade compliance programmes are well understood: protecting reputation, organisational integrity and brand value; greater customer satisfaction; administrative efficiency; and avoidance of questions and investigations by regulators and criminal, civil and administrative penalties, including suspension or debarring.

Our import and export compliance team can help you develop and implement a global trade compliance programme for your organisation. A global trade compliance programme is far more than a compliance manual. The programme involves vetting the proposed programme with senior management, involving a global team to understand how the programme will impact business, finding solutions, training and testing compliance. We have the compliance tools, processes and technology to effectively develop and implement your global compliance programme.

European and State Aid Issues

We have considerable expertise in the market investor principle, quantification of financial advantages and the application of general and specific exemptions for allowable state assistance. Our lawyers have decades of global regulatory experience with antitrust, competition, international trade, export controls, duty recovery, and other standard and emerging issues. We offer EU policy experience in combination with our state aid, merger control, public procurement and international trade/WTO law experts offering unrivalled 360-degree insight. Our team also has the knowledge and experience to effectively conduct audits and due diligence so as to assess the likelihood of future state aid issues and even prevent them from arising.

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