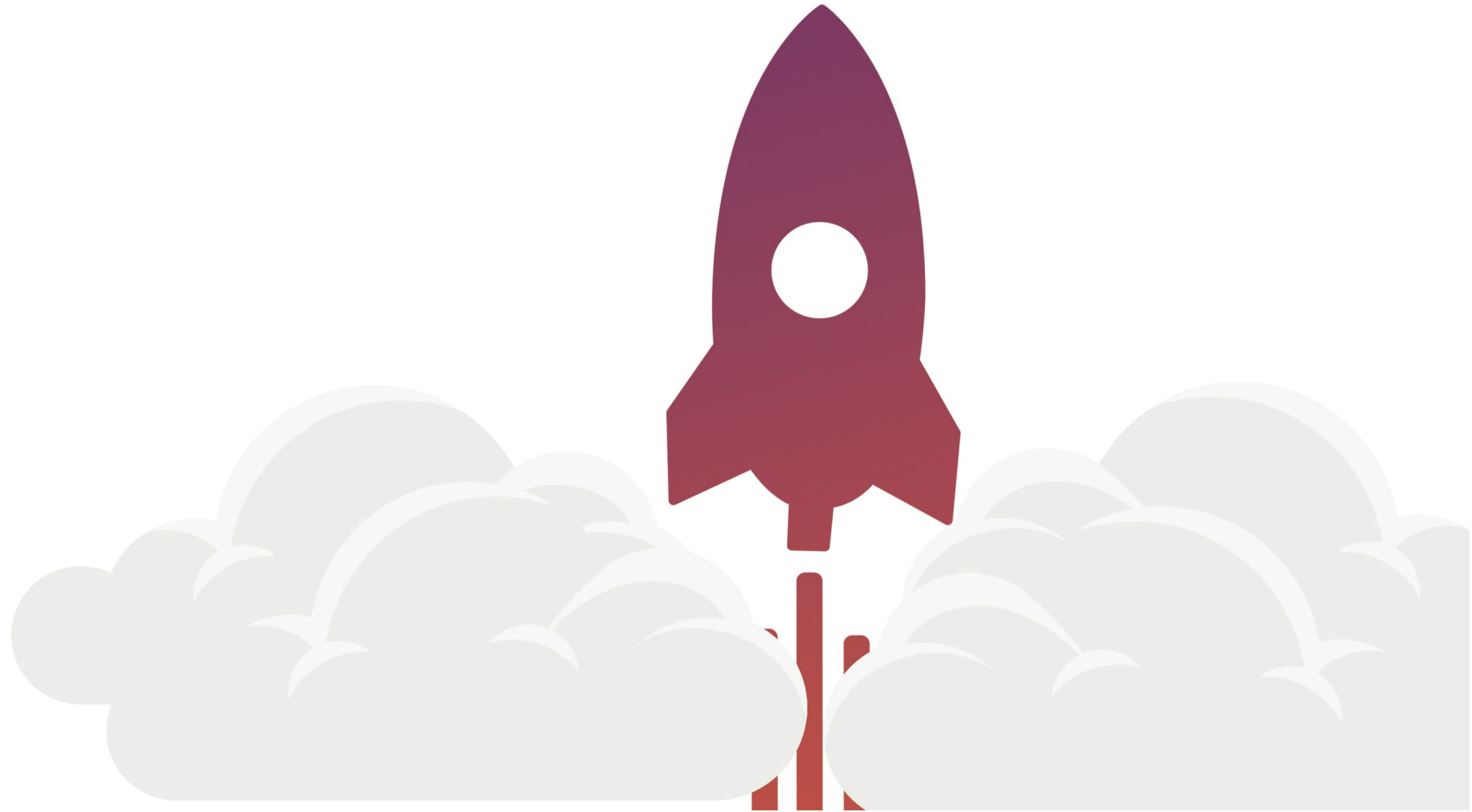


8 STEPS IN COMPANY FORMATION IN DUBAI MAINLAND



10 ZONE



Start your business in Dubai

Dubai offers a lot of opportunities and in an effort to attract more investments the Dubai Economic Development (DED) aims to work on its vision to help business owners set up their company and expand their operations with quick and easy processes and administration.

You can setup a company in Dubai either in the Dubai mainland or more than 30 economic free zones across the UAE. These two offer different benefits depending on your business type and activities.

If you want to set up your business in Dubai mainland, you need a Dubai business license to be issued after you register in DED.



8 Steps in Company Formation in Dubai Mainland.





DETERMINE YOUR BUSINESS ACTIVITY TYPE

There are more than 2,000 business activities available in the Dubai DED. They fall into different classes and groups: industrial, commercial, professional and tourism activities. Download a comprehensive list of Dubai DED activities [here](#).

The license type is associated to the activity type of the business. If the activity type is professional, then the license should be professional as well. If the license combines many activities, the largest activity (industrial) will be priority followed by commercial and professional activities. This does not apply for tourism activities.

Some business activities may require approvals from other government authorities other than Dubai DED.

SELECT A LEGAL FORM FOR YOUR BUSINESS

A legal form is a description of what your business is all about. When you choose a legal form for your business, you must take in consideration the business activities, business type, the number and the nationality of shareholders and the shareholding options.

Companies in Dubai can take several legal forms but not all legal options may be open to you.

Some of the common legal structures used for company formation in Dubai include Sole Proprietorships, Limited Liability Companies, Civil Companies, and branches of foreign or UAE-based companies.



SELECT TRADE NAME

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- The name should not contain obscenities or words that convey obscenity. Also, the trade name should not be offensive to the general public. This also holds good for a personal name.
- The name should not include Allah's name, or "God", or His divine attributes, for example (al wader, al alee).
- Only a partner's name can be included in the license. For instance, a license issued to John Doe cannot include the name of John Simpson.
- Family names cannot be used as a trade name unless the trade name includes the first name. For instance, Mohamed Al Shams cannot have a trade name 'Al Shams Trading'. This would have to be changed to 'Mohamed Al Shams Trading'.

SELECT TRADE NAME

- Names should be written literally. Translations are not allowed. The name should not include any punctuation marks.
- The trade name cannot include the name of any country or government entity.
- The business name must reflect the business activity. For instance, 'Carac Café LLC', or 'Pioneer Gate Business Centre'.
- The name cannot include names of political organisations, religious organisations, or any other such globally restricted names.

SELECT TRADE NAME SPECIAL FEATURES

- If the name contains special features, you will have to pay an additional fee between AED 1,000 and AED 2,000.
- Trade name that contain foreign words which cannot be translated into Arabic, for instance, "Silver" – Fee: AED 1,000
- Trade Name that include regional references, for example "East", "West", "International", "American", "European" – Fee: AED 1,000
- If part of the trade name is a trade mark – Fee: AED 1,000
- Trade name including numerical digits, for example "Pioneer 2,000 Trading". This does not include names where the numbers are written as letters, for example "Pioneer One" – Fee: AED 2,000
- Trade name including foreign (non-Arabic) words – Fee: AED 2,000
- Trade name including the word "Gulf" – Fee: AED 2,000
- Trade name including an abbreviation, for example P.G.B.C Trading – Fee: AED 2,000.



PREPARE APPLICATION

Legal Agreements

The partners/shareholders may need to sign a Memorandum of Association (MOA), depending on the legal form of your company. In some cases, for example in branch companies/professional licenses, a Local Service Agent agreement will have to be signed. Both agreements are signed in front of a Public Notary in the Dubai Courts.

You will need to draft a Memorandum of Association if the legal structure of your company is one of the following:

Limited Liability Company

One Person Company

Private Shareholding Company (Private Joint Stock Co)

Public Shareholding Company

Simple Limited Partnership

Partnership Company

Civil Company



ESTABLISH THE LOCATION OF THE BUSINESS

All companies registered in Dubai must have a physical address. You can sign a tenancy contract and register the same with Ejari for attestation. This attested contract is then submitted to the DED in order to issue the license.

The physical space rented depends on the activity of the company and the number of visas required. You can register a company in Dubai on a desk space as well. However, in case you require multiple visas, you would need bigger spaces. The number of visas allowed depends on the office space taken, which is usually calculated at 80 square feet per visa. In some cases, the DED is flexible on this allocation, for example in instances where the Dubai branch company has a large outdoor sales force, or cleaning services.



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OBTAIN A LICENSING APPROVALS

In some cases, special approvals may be required from federal or local government authorities. For instance, branch companies need to register with the Ministry of Economy, and legal activities require clearances from the Legal Affairs Department. Enquire now to check if your activity needs special approvals.

COLLECT YOUR BUSINESS LICENSE

This is the last stage in the process. All the required documents are collected and submitted. The DED then issues a payment voucher, that details the fees involved. Once paid, the trade license is issued and you are ready to do business in Dubai!





POST SETUP FORMALITIES

Your license is the starting point, however, there are some steps that you need to complete in order to be a fully functional business.



Making a company stamp

This is essential for doing business in the UAE. Every company needs to maintain a company stamp.



Registration with the Ministry of Immigration

Obtaining an establishment card that would allow the business to apply for shareholder or investor visas.



Registration with the Ministry of Labour

Obtaining a labour card that would allow the business to apply for employment visas.



Opening a corporate bank account

A bank account in the name of the company. This account can be opened with any local or international bank in any emirate in the UAE.



Creating a WPS System

Wages Protection System (WPS) is an electronic salary transfer system. This enables companies to pay their employees salaries via banks, local exchanges, and other financial institutions authorized to provide the WPS service.



Creating an accounting system

Every company setup in Dubai is required to maintain accounts for filing purposes.



Creating a basic legal documents framework

This includes employment contracts, commercial/service contracts, non-disclosure agreements and other such legal documents. In case you maintain even a basic website, you would need the website Terms and Conditions and Privacy Policy.


Let's Get Started!

WE
ARE
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- ~ Setting up businesses in Dubai since 2004
- ~ Experts in consultancy and company formation
- ~ Team of highly qualified Lawyers, Chartered Accountants and Relationship Managers
- ~ Ready to assist you in English, Arabic, French, German, Turkish, Hindi, Afrikaans & Tagalog.

Our services cover more than just company setup – we take care of all aspects of your business.

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