

BRANCH OF A FOREIGN COMPANY



10 ZONE





In some instances, such as specialised activities like Engineering Consultancy or Banking activities, the DED allows for the setup of a branch or representative office of a foreign company in Dubai. The main difference between a branch and a representative office is that the representative office can only be used for market promotion activities, and hence cannot invoice customers.

What **activities** can be carried by the **Foreign Branch Company** in Dubai?

A branch company can apply for specific professional activities, commercial and industrial activities.

An additional approval is required from the Ministry of Economy, which is a UAE Federal Ministry.



Who can be the **owners** ? Does a it need a **manager**

A **FOREIGN BRANCH** is 100% owned by the foreign parent company.

A **BRANCH OF FOREIGN COMPANY** also requires a UAE National to act as the local service agent, who liaises with the Government authorities, including the Ministry of Labour.

A branch of a foreign company must have a manager to represent the foreign company.

TRADE NAMES

The name and activity of the branch will be the same as the parent company. The name will contain the suffix – ‘Dubai Branch’



Advantages of setting up a Branch of a Foreign Company in Dubai

EASY SETUP

The license can be setup within a few days if you meet the required criteria. You can set up a foreign branch with a desk space, unless more visas are required.

COST-EFFECTIVE

Unlike many free zones, setting up in Dubai mainland is economical, since you do not need to commit to a large office space in the first year.

FLEXIBILITY IN DOING BUSINESS

Unlike free zone companies, foreign branch companies in Dubai can do business anywhere in the UAE, and in other countries as well. The branches can also enter into trade agreements with Government entities.

RANGE OF LOCATIONS

Unlike a free zone, which is a designated area, you can set up an branch company in any area of Dubai, including Deira, Bur Dubai, Business Bay and anywhere else on the Dubai mainland.

OPTIONS FOR MULTIPLE VISAS

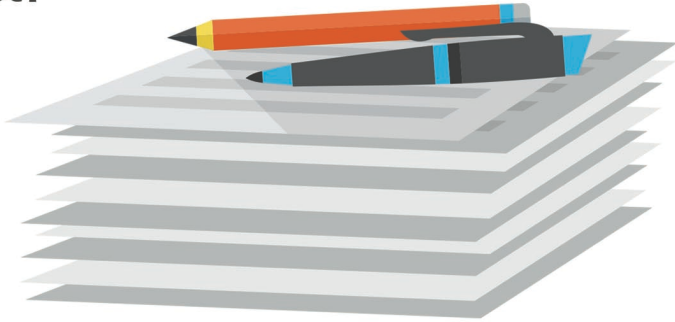
Branch companies can apply for unlimited visas when setting up on the mainland. The number of visas allowed depends on the office space taken, which is usually calculated at 80 square feet per visa. In some cases, the DED is flexible on this allocation, for example in instances where the Dubai branch company has a large outdoor sales force, or cleaning services.

SPONSOR OF DEPENDENTS

The foreign branch in Dubai can apply for multiple visas for their employees, and the shareholders and employees can sponsor visas for their dependents - spouse, child, parents, maid, cook etc.



The process of setting up a **Branch of a Foreign Company** in Dubai



1

Select business activity – this should be the same activity as the parent company

2

Submit an application to the UAE Ministry of Economy

3

Find a UAE National to act as local service agent

4

Reserve of a new trade name. The branch will have to take the same name as the parent company

5

Sign the Local Service Agent Agreement in the Dubai Courts

6

Rent office space in Dubai

7

Pay the DED fees and obtain the Professional license

8

Submit the license to the UAE Ministry of Economy and obtain the required permit



Costs of setting up a Branch of a Foreign Company in Dubai

Setting up a branch costs from **AED 25,000**, and depends on the office space that the branch company rents. Investors now have the option of setting up a foreign branch with a desk space as well.

The documents of the parent company would have to be notarized and attested from the UAE Embassy in country of origin, translated into Arabic and legalized from the Ministry of Justice and Ministry of Foreign Affairs here in the UAE. This one-time process can cost between **AED 6,000- AED 10,000**, depending on the documents.

Additional costs include the registration of the company with the Ministries of Immigration and Labour and visa costs.




Let's Get Started!

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- ~ 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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