

FAQs about Registration & Licensing in Dubai

Trade Names

1. Is it required to register a trade name in order to apply for an initial approval?

No, a trade name may be booked for one year renewable period, against payment of due fees.

2. How long can a trade name be maintained?

It can be maintained for a period of one year, which is renewable.

3. In the case where there is a trade name registered in another Emirate, is it possible to maintain or use the same name in the Emirate of Dubai?

If the trade name is not registered with the Ministry of Economy and Commerce, it can be used in the Emirate of Dubai.

4. Can a trade name be maintained after a license's cancellation?

Yes, but that shall be against payment of a Dhs. 200 (two hundred Dirhams) fee to keep the name for one year.

Licensing & Registration

Issuing

1. It is possible to establish a limited liability company for several professional activities?

No, limited liability companies are restricted to trading and industrial activities, and civil business companies are established for practicing professional activities.

2. What are the requirements for issuing a trade license ?

Prior to operating any business in Dubai, the steps outlines below must be taken in order to meet the legal requirements of all concerned government authorities and to guarantee maximum commercial benefit for the business owner:

- o Determine the category/categories (commercial, industrial and/or professional) and type of business activity/activities to be practiced.
- o Determine all the related business activities that can be included within each business license, subject to a maximum of ten activities per license.
- o Determine your business' appropriate legal form taking into consideration the desired business activity/activities and the number and nationalities of the business' owners.
- o Determine all the requirements and conditions of the desired license.
- o Determine the business' trade name.

- Submit an application to the Department for an initial approval either by personal visit to the Department's offices or through the Internet, a document clearing service or legal consultant's office.
 - Register a trade name after obtaining an initial approval either by personal visit to the Department's office or through the Internet, a document clearing service or legal consultant's office. (If you have previously reserved a trade approval by use of the record number).
 - Lease a business premises (it is recommended that you contact the counter of the Planning Department of Dubai Municipality on Telephone Number 2020105 or on Dubai Municipality's Telephone Number 2063788, before leasing a premises in order to verify that is suitable for the business). Thereafter you can visit the said Department's counter on the building's ground floor for approval of the premises.
 - Prepare all required documents such as memoranda of association and approvals of other relevant government authorities, which are necessary in each case. For example to carry on media activities, an approval issued by the Ministry of Information and Culture is required. Such documents can be mailed, if you have paid the required fees directly through the "Internet".
 - Submit an application to the Department to obtain a final license.
 - Pay the required fees and collect your license.
3. What are the requirements for issuing a trade license via the website?
- To issue a trade license via the website, the same requirements for issuing a normal trade license is used.
4. What are the licenses, which require a local services agent?
- All licenses of professional activities, whether for sole establishments or companies which are not owned or subscribed to by a United Arab Emirates national, require a local services agent except the activities mentioned in question No.14.
5. For how long will an initial approval be valid?
- An initial approval will be valid for a period of 6 months from the date of issuance, and it can be renewed ten days prior to the date of expiry.
6. Is it possible to amend the type of activity or trade name in an initial approval?
- Yes, this can be done against payment of approval fees again.
7. In case of obtaining an external approval required for any suspended activity, is it possible to obtain the Department's approval for issuing a license for such activity?
- Yes, approval for the license can be granted.
8. What are the requirements of a bank's certificate involving depositing of a capital?

A certificate is required to be issued on a bank's official letterhead by one of the banks operating in the Emirate, in the name of the establishment or company which is in the process of being established.

9. What are the requirements of appointing an auditor for a limited liability company?

An auditor shall be a holder of a valid license in the Emirate of Dubai, and a valid certificate issued by the Ministry of Economy & Commerce.

10. After obtaining an initial approval, do I have the right to proceed in the activity?

No, the purpose of such an approval is to ensure that the Department does not object to the carrying on of the activity, and to permit completion of other documents required for issuing a final license.

11. Can my minor son, who is under 21 years of age, become my partner in a limited liability company?

Yes.

12. Is it required to lease a premise to operate an activity, or is it possible to carry on such activity from a living accommodation? Are there any specific requirements or conditions governing the premises such as space or location?

Yes, leasing an office/shop is one of the most important requirements for obtaining a license for any activity. There are some special conditions governing the space. For some activities, such as a supermarket or department store. A location should be suitable for an activity, and this can be arranged in co-ordination with the Planning Department of Dubai Municipality.

13. What are the duties and obligations of a local services agent of a professional license, or a local sponsor of a foreign company's branch?

An agent's duties and obligations towards the other party are limited to facilitating the practice of an activity in the Emirate, such as assisting in obtaining and renewing of a license, and obtaining and renewing of necessary work permits issued by the Ministry of Labour and Social Affairs, and other government authorities.

14. What are the professional licenses which do not require a local services agent or local sponsor in respect of licenses held by individuals who / companies which are not from Gulf Cooperation Council Countries (GCCC)?

Engineering consultancy
Legal consultancy
Bank representation office

15. As a physician who is not a GCCC national, do I have the right to apply for a license for a sole establishment to operate as a "clinic", and to appoint a local services agent, or to establish a civil business company in partnership with a United Arab Emirates national?

Only a GCCC national can obtain a license for a sole establishment to operate as a clinic, and only a GCCC national can establish a civil business company to operate such an activity. As a physician of another nationality, your legal status in the license shall only be as a physician in charge.

16. Can a Jebel Ali free zone establishment open a branch in the Emirate of Dubai?

A free zone establishment can only open a representation office in the Emirate. Functions of such an office shall be restricted to promoting a company's products, services or business, or to facilitating trading contracts between a company and its clients. Such an office shall not be allowed to operate any commercial business or to conclude any commercial deals by itself.

17. Can a foreign company's branch existing in Jebel Ali Free Zone open a branch in the Emirate of Dubai?

A branch existing in the Free Zone can only obtain a license for a representation office in the Emirate of Dubai. In order to open a new branch it is required that the main company in the country of origin submits an application for a license. Hence a new branch shall directly belong to the main company and not to the branch existing in the Free Zone.

18. What is the minimum number of partners in a private shareholding company?

Pursuant to Article (215) of the Federal Law No. 8 of 1984, founders of a private shareholding company shall not be less than three persons.

19. What is the maximum number of activities which can be included in one single license?

A license can include a maximum number of ten activities, provided however that they are all homogenous. For example: trading in readymade garments, footwear, children's toys, cosmetics and imitation jewellery, etc.

20. What is the minimum capital required for establishing a limited liability company, and how can the existence of the required capital be evidenced?

Among the main requirements for establishing a limited liability company is to submit a certificate issued by one of the banks operating in the Emirate evidencing the deposit of the capital specified for the activity wished to be operated. The minimum capital required Dhs. 300,000 (three hundred Thousand)

21. What is the minimum capital required for establishing an individual establishment?

Most activities do not require a minimum amount of a capital, a certificate issued by one of the banks operating in Emirate shall be submitted evidencing deposit of required capital.

22. Is it required to be a resident of the United Arab Emirates in case of being an owner of a sole establishment or a partner in a license?

An owner of a trading individual establishment, who is GCCC national, or a partner in a commercial company, who holds any other nationality, shall not be required to be a resident of the United Arab Emirates. However an owner of a professional sole establishment shall be required to carry on the activity in person, and this can only be achieved by residing in the United Arab Emirates.

23. What are the requirements for opening a branch of a limited liability company existing in another emirate with a capital of Dhs. 150,000 (one hundred & fifty thousand Dirhams).

A company shall first increase its capital of its main office in order to conform at least to the minimum capital required in the Emirate of Dubai (please vide Question No. 20 above). It shall submit a copy of the Commercial Register as proof, as well as submit the following documents:

- board of directors decision of opening a branch and authorizing a manager-in- charge.

- A copy of the main company's license.
- Copies of all partners' passports, and of national registration cards of partners who are United Arab Emirates nationals.
- Approval by the respective government authorities concerning the required activities.
- A copy of a lease of premises at which the activity will be operated.

24. Is it possible to open a branch for an establishment existing in another Emirate?

A branch cannot be open for an establishment, but only for other commercial companies.

25. Can a non-UAE national obtain a license without a partner or local services agent who is a UAE national?

No, all trade licenses require a UAE national partner whose shareholding shall not be less than 51% of the company's capital. However, in the case of professional licenses a UAE national can either be a partner or a local service agent.

26. How many licenses can be issued for the same premises?

More than one license can be issued for the same premises, provided that the requirements of the Department's commercial Inspection Section and of Dubai Municipality's Planning Department are fulfilled.

Licensing Processing Fees

No	Description	Fees (AED)
1	Issuance	
1-1	DED	
	Initial approval	100
	Booking a trade name	200
	Professional / trade / Industrial license registration	500
	Representative office license registration	5,000
	Service Agent	700
1-2	Dubai Municipality	
A	Market fees	
	Commercial + professional + industrial licenses	5% of the rent
	Banks	15% of the rent
	Private Property	As per Committee Decision
	Accommodation fees (non UAE nationals)	5% of the rent
	Waste fees	As per the Activity
B	Service Improvement fees:	
	Local only	100
	Local + partner (professional + industrial)	300
	Local + Partner (commercial)	500
	Banks + hotels + furnishes apartments	1,000
C	Local fees:	
	Local only	100
	Local + partner (professional + industrial)	150
	Local + Partner (commercial)	200
	Banks + hotels + furnishes apartments	200
1-3	Ministry of Economy & Commerce	
	Limited Liability Companies	3,000
	Partnership	3,000
1	Issuance	
1-1	DED	
	Initial approval	100
	Booking a trade name	200
	Professional / trade / Industrial license registration	500
	Representative office license registration	5,000
	Service Agent	700
1-2	Dubai Municipality	
A	Market fees	
	Commercial + professional + industrial licenses	5% of the rent

The total and the final cost will be determined at the time of submitting/filling the registration application and the supported documents.