

New Law for Dubai Free-Zones

His Highness Sheikh Mohammed bin Rashid al Maktoum, issued Law No. 15 of 2016 (the "**New Law**") on the regulations issued by the authorities of free-zones and special development zones.

Who does this apply to?

The New Law is applicable to all free-zones and special development zones in Dubai, including the Dubai International Financial Centre ("**DIFC**").

What is the effect of this New Law?

Government entities that are subject to the New Law will be required to publish any bye-laws or regulations on their official websites. These should be freely available to the public and should be in Arabic or any other language.

Unless stated otherwise, regulations published on any authority's official website are binding and will be effective within 30 days of the date of publication.

What does this mean for laws issued prior to the New Law?

There should be no impact on laws issued by free zone authorities and special development zones in Dubai prior to implementation of the New Law. As such, these regulations shall remain valid and must be communicated by the authorities through their official websites within 30 days of the date of activation of the New Law.

What are potential points for consideration?

Whilst the New Law is pending publication there remains uncertainty in relation to what the New Law actually means for those dealing within free-zones and special developments zones in Dubai.

Although it is understood that laws/regulations enacted by free-zone authorities and special development zones prior to the New Law shall remain valid and must be communicated by the authorities, the position remains unclear should the authorities fail to do this and raises questions in relation to potential penalties for such failures.

In any event, it is likely that the New Law will increase transparency when dealing with free-zone authorities and special development zones in Dubai.

When will the New Law come into effect?

The New Law will be effective from the date of publication in the Official Gazette.

Who we are:

The Gateley Dubai Corporate team is one of the leading corporate teams in the MENA region. We provide our clients with regular updates and understand local laws and customs and can help our clients overcome any issues they might experience undertaking business in the UAE, as well as internationally.

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