

Cabinet Resolution No. (16) of 2020

Determining the positive list of sectors and economic activities in which the foreign direct investment is permissible and the percentage of ownership

The Cabinet:

- After reviewing the constitution,

The Federal Law No. (1) of 1972 regarding the functions of the ministries and the powers of the ministers, as amended;

The Federal Law No. (2) of 2015 regarding the commercial companies as amended

The Federal Decree-Law No. (19) of 2018 regarding foreign direct investment, and

Based on what was presented by the Minister of Economy, and approved by the Council of Ministers, enacted the following

Article (1)

Definitions

In applying the provisions of this resolution, the following words and expressions shall have the meanings shown opposite to each of them, unless the context requires otherwise:

State: United Arab Emirates.

Foreigner Investor: The natural or legal person who does not hold the nationality of the State and makes an investment in the State in accordance with the provisions of the Federal Decree-Law No. (19) of 2018 regarding foreign direct investment.

Article 2

The positive list

The positive list of sectors and economic activities attached to this Resolution, in which the foreign investor may have direct investment shall be adopted.

Article (3)

Legal form

The foreign direct investment project in the economic activities referred to in Article (2) of this Resolution shall take one of the following legal forms:

a. limited liability company, including one-person companies.

B. Private joint stock company, including one-person companies.

Article 4

Ownership of the foreign investor

The percentage of ownership held by the foreign investor in the foreign direct investment project in the economic activities referred to in Article (2) of this Resolution is 100%, as an exception of what was mentioned in the Federal Law No. (2) of 2015 on commercial companies.

Article (5)

minimum capital

The minimum capital for a foreign direct investment project in economic activities referred to in Article (2) of this Resolution shall be according to what is indicated in the list attached to this Resolution.

Article 6

Conditions and controls for foreign direct investment

The conditions and controls for foreign direct investment in the economic activities referred to in Article (2) of this Resolution, shall be according to what is shown opposite to each activity in the list attached to this Resolution in addition to such conditions and controls as may be determined by the licensing authority and any conditions and controls contained in the regulations in force in this regard.

Article (7)

The minimum percentage of the national cadres

The minimum percentage of the national cadres working in the foreign direct investment project in the economic activities referred to in this Resolution shall be in accordance with the system in effect in this regard with the Ministry of Human Resources and Emiratisation.

Article (8)

The benefits available for the foreign direct investment project

1. The benefits available for the foreign direct investment project in the economic activities referred to in Article (2) of this Resolution, shall be in accordance with the benefits stipulated in the Decree-Law No. (19) of 2018 concerning foreign direct investment.
2. The local competent authority may grant any additional benefits to the foreign direct investment project.

Article (9)

Exceptions

The foreign direct investment project in the economic activities referred to in Article (2) of this Resolution shall be excluded from the provisions of Articles (71), (151), (209) of the Federal Law No. (2) of 2015 on commercial companies as amended.

Article (10)

Cancellations

Any provision that violates or contradicts the provisions of this Resolution shall be canceled.

Article (11)

Publication and entry into force of the Resolution

This Resolution shall be published in the Official Gazette, and it shall enter into force from the day following the date of its publication.

Mohammed bin Rashed Al-Maktoom

Prime Minister

Date: 16 March 2020

The positive list of sectors and economic activities in which the foreign direct investment is permissible attached to the Cabinet Resolution No. (16) of 2020

Agriculture sector

No.	ISIC4	Business activity	Minimum Capital	Conditions and controls for foreign direct investment
1	01111	Grain cultivation (wheat, corn, barley, etc.)	7.5	- use of modern technology - achievement of high added value - contribution in the research and development field - satisfaction of the requirements of the licensing entities in the state
2	01112	Cultivation of bean crops	7.5	
3	0113	Cultivation of vegetables, melons, roots and tubers	7.5	
4	0114	Cultivation of sugar cane	7.5	
5	0116	Cultivation of fiber crops	7.5	
6	0119001	Flowers and Flower Buds Cultivation	7.5	
7	0121	Growing of grapes	7.5	
8	0123001	Fruits and Citrus Cultivation	7.5	
9	0124	Growing of pome fruits and stone fruits	7.5	
10	0125	Growing of other tree and bush fruits and nuts	7.5	
11	0126	Growing of oleaginous fruits	7.5	
12	0127	Growing of beverage crops	7.5	
13	01289	Growing of aromatic, drug and pharmaceutical crops	7.5	
14	0161	Support activities for crop production	10	
15	0162	Support activities for animal production	7.5	
16	0163	Post-harvest crop activities	7.5	
17	0164	Seed processing for propagation	7.5	
18	0210	Silviculture and other forestry activities	7.5	
19	0240	Support services to forestry	7.5	

Manufacturing sector

No.	ISIC4	Business activity	Minimum Capital	Conditions and controls for foreign direct investment
20	10	Manufacture of food products (except): 1071- Manufacture of bakery products 105 - Manufacture of dairy products 108 - Manufacture of prepared animal feeds	15	<ul style="list-style-type: none"> - use of modern technology - achievement of high added value - contribution in the research and development field - satisfaction of the requirements of the licensing entities in the state
21	10	Manufacture of beverages (except): 1101 -Distilling, rectifying and blending of spirits 1102 -Manufacture of wines 1103- Manufacture of malt liquors and malt	15	
22	14	Manufacture of wearing apparel (except): 14109 - Tailoring and Sewing of Wearing Apparel 1410122 - Military Garments Manufacturing	15	
23	15	Manufacture of leather and related products	15	
24	16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	15	
25	2012002	Straight or Complex Fertilizers Manufacturing	15	
26	2013	Manufacture of plastics and synthetic rubber in primary forms	15	
27	2021	Manufacture of pesticides and other agrochemical products	15	
28	2022	Manufacture of paints, varnishes and similar coatings, printing ink and mastics	15	
29	2023	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	15	
30	2029006	Glues and Prepared Adhesives Manufacturing	15	
31	2029008	Manufacture of dyestuffs and pigments	15	

32	2029009	Textiles and Leather Finishing Used Chemical Materials Manufacturing	15	<ul style="list-style-type: none"> - use of modern technology - achievement of high added value - contribution in the research and development field - satisfaction of the requirements of the licensing entities in the state
33	2029013	Manufacture of photographic plates, films	15	
34	2029019	Gelatine and Its Derivatives Manufacturing	15	
35	2029021	Essential Oils Manufacturing (Essence)	15	
36	2029022	Extracted Natural Aromatic Products Manufacturing	15	
37	2029023	Aromatic Distilled Waters Manufacturing	15	
38	2029024	Matches Manufacturing	15	
39	2029025	Welding Powders and Pastes Manufacturing	15	
40	2030	Manufacture of man-made fibres	15	
41	2100	Manufacture of pharmaceuticals, medicinal chemical and botanical products	15	
42	22	Manufacture of rubber and plastics products	15	
43	23	Manufacture of other non-metallic mineral products	15	
44	24	Manufacture of basic metals (except): 242 Manufacture of basic precious and other non-ferrous metals 2432 Casting of non-ferrous metals	20	
45	25	Manufacture of fabricated metal products, except machinery and equipment (except) 2529 Manufacture of weapons and ammunition	15	
46	26	Manufacture of computer, electronic and optical products	15	
47	27	Manufacture of electrical equipment	20	
48	28	Manufacture of machinery and equipment n.e.c. (except) 28259 Tobacco Processing Machinery Manufacturing	100	
49	29	Manufacture of motor vehicles, trailers and semi-trailers	100	
50	3011101	Building of Commercial Vessels	100	
51	3011103	Ships and Floating Structures Sections Manufacturing	100	
52	3011905	Construction of Drilling Platforms, Floating or Submersible	100	

53	3011906	Construction of Floating Structures	100	
54	3011907	Building of Hovercraft	100	
55	3012	Building of pleasure and sporting boats	15	
56	3020	Manufacture of railway locomotives and rolling stock	20	
57	3030	Manufacture of air and spacecraft and related machinery (except): 3030006 Military Ballistic and Guided Missiles Manufacturing	100	
58	3090	Manufacture of transport equipment n.e.c.	20	
59	31	Manufacture of furniture	15	
60	3220	Manufacture of musical instruments	2	
61	3230	Manufacture of sports goods	3	
62	3240	Manufacture of games and toys	3	
63	3250	Manufacture of medical and dental instruments and supplies	20	
64	3290	Other manufacturing n.e.c.	3	
65	3312001	Repair and maintenance of train engines	15	
66	3312002	Repair and maintenance of engines ship	15	
67	3315001	Repair and maintenance of ships	15	
68	3315004	Repair and maintenance of trains and railway equipment	15	
69	3315005	Maintenance and Repair of Aircrafts Engines	15	
70	3315006	Repair and maintenance of aircraft	15	

Service sector

No.	ISIC4	Business activity	Minimum Capital	Conditions and controls for foreign direct investment
71	6910002	Legal Consultancy Offices	As per the applicable regulations	<ul style="list-style-type: none"> - Not to advocate before the UAE courts. - Not to carry out any judicial procedure before courts, arbitral tribunals, and judicial and administrative committees. - Not to carry out attestation activities - To obtain the approval of the

				<p>relevant entities in charge of licensing such activities in the State</p> <ul style="list-style-type: none"> - To be a natural or legal person known for its excellence in this field
72	692	Accounting, bookkeeping and auditing activities; tax consultancy	As per the applicable regulations	Only permissible for tax planning for businesses and consultancies, preparing and reviewing taxes on businesses
73	711	Architectural and engineering activities and related technical consultancy	As per the applicable regulations	To be a natural or legal person known for its excellence in this field
74	862	Medical and dental practice activities		
75	75	Veterinary activities		
76	620	Computer programming, consultancy and related activities	As per the applicable regulations	To provide a technical team of no less than 5 specialized programmers by the end of the first year of the company
77	72	Scientific research and development	As per the applicable regulations	As per the applicable regulations
78	7730-77300	Renting and leasing of other machinery, equipment and tangible goods		
79	471	Retail sale in non-specialized stores (except Cooperative Societies 4711001)		
80	731	Advertising		
81	732	Market research and public opinion polling		
82	702	Management consultancy activities		
83	712	Technical testing and analysis		
84	331	Repair of fabricated metal products, machinery and equipment (except ships or aircrafts and other transport equipment)		
85	8121-81210	General cleaning of buildings		
86	742	Photographic activities		
87	8292-82920	Packaging activities		
88	823	Organization of conventions and trade shows		
89	741	Specialized design activities		
90	7490005	Legal Translation Services		

91	7490006	Translation services, movies and television programs		
92	7490012	Translation Publications Services		
93	8299002	Translation Services		
94	41	Construction of buildings	As per the applicable regulations	Only permissible for large-scale infrastructure projects such as airports, highway roads, sport facilities and projects whose value exceed AED 450,000,000
95	42	Civil engineering		
96	432	Electrical, plumbing and other construction installation activities		
97	433	Building completion and finishing		
98	431	Demolition and site preparation		
99	439	Other specialized construction activities		
100	7730009	Construction and Building or Demolition Machines and Equipment Renting		
101	851	Pre-primary and primary education	As per the applicable regulations	<ol style="list-style-type: none"> 1. Public education excluded. 2. To obtain the approval from the entities in charge of education to license such activities and to comply with such standards and controls as may be determined by them. 3. To comply with the conditions and standards of school facilities and to ensure a high level of education quality
102	852	Secondary education		
103	853	Higher education		
104	854	Other education		
105	370	Sewerage	As per the applicable regulations	As per the applicable regulations in this regard
106	382	Waste treatment and disposal		
107	3900001	Pollution Consequences Treatment and Environment Protection		
108	861	Hospital activities	100	<ol style="list-style-type: none"> 1. Subject to the approval of the relevant authorities in light of the economic need taking into account the number of hospitals, medical and health centers in a specific area.

				2. Dubai Healthcare City is excluded from the above condition.
109	869	Other human health activities	70	As per the applicable regulations
110	8211001	Hotel Management	As per the applicable regulations	
111	8211004	Restaurants Management		
112	90009	Creative activities and presentation of arts drama (theater)		Permissible only for theater activities and live bands
113	9000104	Music Band		As per the applicable regulations
114	9000110	Circus		
115	8130002	landscape and gardening services		
116	9103-91030	Botanical and zoological gardens and nature reserves activities		Permissible only for public garden services and specialized garden services.
117	5012-50120	Sea and coastal freight water transport		As per the applicable regulations
118	5022001	Internal Water Transportation of Goods		
119	7730016	Commercial Ships Rental		
120	5222002	Ship Piloting and Towing		
121	5222007	Marine towing of boats and jet sk		
122	New	Activities of holding companies in intellectual property		