

Decree No. (2) of 2006
Amending Decree No. (1) of 1985
Establishing the Jebel Ali Free Zone Authority¹

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Decree No. (1) of 1985 Establishing the Jebel Ali Free Zone Authority; and

Law No. (1) of 2001 Establishing the Ports, Customs, and Free Zone Corporation (the “PCFC”),

Do hereby issue this Decree.

Article (1)

Articles (4) and (5) of the above-mentioned Decree No. (1) of 1985 are hereby superseded by the following:

Powers of JAFZA

Article (4)

JAFZA will have the powers to:

1. develop and maintain the infrastructure and the superstructure of the Free Zone;
2. establish the regulations required for management and operations in the Free Zone;
3. regulate the business and activities which corporations and companies are authorised to conduct within the Free Zone;
4. license and register corporations and companies in accordance with the regulations, bylaws, and resolutions issued by the Free Zone;

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¹Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict the Arabic text will prevail.

5. assist corporations and companies in engaging administrative staff, managers, technicians, professionals, artisans, and other workers, in accordance with issued regulations, and with the terms agreed upon between the requesting corporation and/or company and JAFZA;
6. establish offices and appoint representatives within and outside of the UAE for the purpose of promoting the Free Zone;
7. provide all types of services to corporations, companies, and individuals working in the Free Zone; and charge and collect fees for the services provided by the Free Zone;
8. cooperate, coordinate, and conclude agreements with other free zones and with local and international entities;
9. establish companies wholly-owned by JAFZA or hold shares in existing companies or in companies under incorporation;
10. finance its projects or those of any of its Affiliates or Subsidiaries through any financing options, including through borrowing, providing guarantees, issuing bonds and shares to the public, issuing Islamic bonds (*sukuk*) or Islamic partnership bonds (*Musharaka sukuk*), or through trading in any other financial instruments issued by any source it deems appropriate, and list such instruments in financial markets. For this purpose, JAFZA may provide, or authorise its Affiliates or Subsidiaries to provide, any financial security, concession, or guarantee or create any mortgage/ pledge to obtain such finance;
11. purchase, own, sell, and lease out land, real property, and any other property;
12. sell and lease out land on behalf of the Government;
13. delegate any of its powers to other parties; and
14. exercise, whether by itself or through another party, any other powers it deems necessary to manage its business.

Management of JAFZA

Article (5)

JAFZA will be managed by an executive body comprised of the Chairman of the PCFZC as chairman, the chief executive officer of the PCFZC as vice chairman, and a number of administrative employees.

Article (2)

The following Article (5)*bis* will be inserted into the above-mentioned Decree No. (1) of 1985:

Article (5)*bis*

Subject to the laws and regulations in force in the Free Zone:

1. JAFZA may assign one or more legal persons (the “**Operator**” or “**Operators**”) to manage and perform all or any of its operations in the Free Zone, including to preserve and increase its capital. JAFZA may make any contractual arrangements required for this purpose.
2. JAFZA will not be liable for any debts or obligations claimed from any Operator(s) or from any other party.

Article (3)

This Decree comes into force on the day on which it is issued, and will be published in the Official Gazette.

Mohammed bin Rashid Al Maktoum

Ruler of Dubai

Issued in Dubai on 2 March 2006

Corresponding to 2 Safar 1427 A.H.