

Law No. (25) of 2009
Concerning the
Dubai International Airport Free Zone¹

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

After perusal of:

Law No. (2) of 1996 Establishing the Dubai International Airport Free Zone and its amendments;

Law No. (11) of 2006 Establishing the Investment Corporation of Dubai and its amendments;

Law No. (3) of 2007 Establishing the Financial Audit Department and its amendments;

Law No. (7) of 2008 Concerning the Public Debt Procedure;

Law No. (3) of 2009 Transferring the Ownership of Dubai International Airport Free Zone to the Investment Corporation of Dubai;

Law No. (8) of 2009 Concerning the Accountability of Heads and Directors of the Government Entities Affiliated with the Government of Dubai;

Decree No. (2) of 1993 Forming a Special Tribunal to Determine Disputes between Landlords and Tenants and its amendments;

Decree No. (8) of 2007 Delegating the Chairman of the Executive Council to Authorise Government Departments, Authorities, and Corporations to Open Bank Accounts,

Do hereby issue this Law.

Title of the Law
Article (1)

This Law shall be cited as “Law No. (25) of 2009 Concerning the Dubai International Airport 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 shall prevail.

Definitions

Article (2)

The following words and expressions, wherever mentioned in this Law, shall have the meaning indicated opposite each of them unless the context implies otherwise:

State	The United Arab Emirates.
Ruler:	His Highness the Ruler of Dubai.
Emirate:	The emirate of Dubai.
Government:	The government of Dubai.
Free Zone:	The Dubai International Airport Free Zone.
Authority:	The Free Zone authority.
Chairman:	The chairman of the Authority.
Director General:	The director general of the Authority.
Goods:	All movable property including various tools and equipment required for light industries.
Company:	A company licensed to operate in the Free Zone in accordance with the provisions of this Law.
Establishment:	An establishment registered with the Free Zone in accordance with the provisions of this Law.
Individuals:	Natural persons licensed to conduct business in the Free Zone in accordance with the provisions of this Law.
Workers:	All persons employed by Companies, Establishments, and Individuals in the Free Zone.

Application of the Law

Article (3)

The provisions of this Law shall apply to the Free Zone, whose borders and area are indicated in the map attached herewith, which is established in the Dubai International Airport pursuant to Law No. (2) of 1996 and its amendments, and is affiliated with the Investment Corporation of Dubai pursuant to Law No. (3) of 2009 Concerning Transferring the Ownership of Dubai International Airport Free Zone to the Investment Corporation of Dubai.

Objectives, Duties, and Powers of the Authority

Article (4)

The Free Zone aims to attract capital flows and encourage all types of investment therein. For this purpose, the Authority shall have the duties and powers to:

1. establish, solely or with others, Establishments and Companies, or invest in Companies and Establishments which conduct the same or similar activities;
2. finance, in any manner, the projects of the Authority and of any of its affiliated Establishments or Companies, either by obtaining loans or issuing debt instruments in accordance with the above mentioned Law No. (7) of 2008;
3. determine and impose fees for registration and licensing of Establishments, Companies, and Individuals, and any other fees including fees for the services provided by the Authority;
4. perform all transactions and operations related to the activities of the Free Zone and required for achieving its objectives, including conducting commercial and industrial business in coordination with local and federal government entities;
5. import and store Goods to re-export them, or to bring them into the customs zone in the Emirate;
6. establish light industries and high-technology industries for the purposes of exporting products outside the Emirate or distributing them to the customs zone in the Emirate;
7. provide various commercial and banking services within the Free Zone, including banking, insurance, air freight, and other services;
8. enter into contracts and agreements and obtain licences required to achieve its objectives;
9. regulate the operations and activities authorised to be conducted by Establishments, Companies, and Individuals in the Free Zone, and to establish the rules, conditions, requirements, and procedures for registration and licensing;
10. regulate business relations among Establishments, Companies, Individuals, and other entities operating within the Free Zone;
11. purchase, lease, and own movable and immovable property required to achieve its objectives, invest this property, and dispose of it by all legal means of disposal including sale and lease.
12. enter into lease contracts for land and buildings in the Free Zone with any Establishment, Company, or Individual in order to enable them to conduct their activities in accordance with terms and conditions to be agreed upon;

13. provide, develop, and maintain infrastructure, buildings, administration services, and any other services required to achieve its objectives;
14. monitor and inspect the activities of Establishments, Companies, and Individuals within the Free Zone to ensure their compliance with the provisions of this Law and the bylaws and regulations in force in the Free Zone;
15. establish investment funds for the purposes of achieving the objectives of the Free Zone, securing the funds required for the projects of its Establishments, Companies, and Individuals, and investing the funds of the Authority in any manner the Chairman deems appropriate, and allow investors to contribute to these investment funds in accordance with the instructions and bylaws of the Free Zone;
16. establish offices and appoint representatives of the Authority within and outside the Emirate to promote the Free Zone; and
17. perform any other duties it deems required for the achievement of its objectives.

Management of the Free Zone Authority Article (5)

The Free Zone Authority shall be comprised of:

- a. the Chairman;
- b. the Director General; and
- c. an executive body.

Duties and Powers of the Chairman Article (6)

- a. The Chairman shall be appointed pursuant to a resolution of the Ruler and shall supervise the Authority. The Chairman shall have the duties and powers to:
 1. approve, and supervise the implementation of, the strategic plans and general policy of the Authority and approve its development plans;
 2. approve the regulatory, administrative and financial bylaws of the Authority;
 3. issue the regulations concerning the human resources of the Authority;
 4. approve the services, operations, projects, and activities undertaken by the Authority;
 5. approve the draft general budget and final accounts of the Authority;

6. monitor compliance of the Authority, when performing its work, with the laws, regulations, and bylaws in force; and
 7. perform any other duties required for the proper management of the Authority.
- b. The Chairman may delegate to the Director General any of the powers stipulated in paragraph (a) of this Article provided that the delegation shall be clearly stated in writing.

Duties and Powers of the Director General
Article (7)

- a. The Director General shall be appointed pursuant to a resolution of the Chairman. The Director General shall, under the supervision of the Chairman, have the duties and powers to:
1. propose the general policy, and strategic and development plans of the Authority;
 2. supervise, and monitor the administrative, technical, and financial performance of, the executive body of the Authority, and prepare and submit reports on the foregoing to the Chairman;
 3. follow up the business, projects, and activities undertaken by the Authority;
 4. propose the regulations and bylaws required to achieve the objectives of the Authority;
 5. prepare the draft general budget and final accounts of the Authority;
 6. propose the organisational structure of the Authority and the Companies and Establishments owned by the Authority;
 7. appoint an internal auditor of the Authority and seek assistance of experienced and competent consultants to review the operations and projects of the Authority and to determine the budgets for these operations and projects and supervise their implementation;
 8. represent the Authority before third parties and enter into contracts and agreements; and
 9. establish and register the Companies and Establishments affiliated with the Authority.
- b. In the absence of the Chairman or inability to perform his duties and powers, the Director General shall act as the Chairman and shall assume his duties and powers.

**Goods in the Free Zone
Article (8)**

- a. Foreign and national Goods, from all sources, shall be allowed to be brought into the Free Zone.
- b. Notwithstanding the provisions of paragraph (a) of this Article, it is prohibited to bring the following Goods into the Free Zone:
 1. perished Goods;
 2. Goods violating commercial, industrial, literary, artistic, and intellectual property laws;
 3. boycotted Goods or Goods that the State or the Government decides to boycott;
 4. Goods featuring inscriptions, drawings, ornamentations, marks, or figures that conflict with religious doctrines, teachings, and beliefs of Abrahamic religions;
 5. raw or processed opium, coca leaves, Indian cannabis, hashish or resin prepared from Indian cannabis or hemp seed, qat leaves, and all similar products; and
 6. military Goods and ammunition, except those imported under licence issued by a competent authority in the Emirate.

**Customs and Tax Exemptions
Article (9)**

- a. Goods imported into the Free Zone shall be exempted from customs duties.
- b. Establishments, Companies, Individuals, and Workers in the Free Zone shall be exempt from all taxes, including income tax, in relation to their operations within the Free Zone for a period of fifty (50) years from the date on which such Establishments, Companies, Individuals or Workers commence work in the Free Zone. The exemption period may be extended for the same period pursuant to a resolution of the Ruler.

**Exemption from Compliance with Certain Laws
Article (10)**

1. With respect to their operations in the Free Zone, the Authority, Establishments Companies, or Individuals shall not be governed by the laws and regulations of Dubai Municipality (except for the legislation related to health, public safety, and the environment), or of the Department of Economic Development, and shall not be subject to the powers and competencies of both departments.

2. The Authority's lease relations with third parties shall not fall within the jurisdiction of the Special Tribunal to Determine Disputes between Landlords and Tenants formed by virtue of the above mentioned Decree No. (2) of 1993.

Products Exported to the Customs Zone
Article (11)

Products exported from the Free Zone to the customs zone in the Emirate shall be deemed as imported from abroad for the first time and shall be charged customs duties in accordance with the provisions of the customs tariff in force.

Immunity from Nationalisation and Limitation of Ownership
Article (12)

The assets and activities of Establishments, Companies, or Individuals shall not be subject to any nationalisation or limitation of private ownership measures during their operation in the Free Zone.

Exemption from Restrictions
Article (13)

Establishments, Companies, Individuals, and Workers shall be exempt for a period of fifty (50) years from any restrictions related to the transfer of capital, profits, or wages in any currency to any entity outside the Free Zone. The exemption period shall commence as of the date on which these Establishments, Companies, Individuals, and Workers commence their work in the Free Zone, and may be extended for the same period pursuant to a resolution of the Ruler.

Employment and Hiring
Article (14)

1. The Authority shall provide Establishments, Companies, and Individuals, upon their request, with technicians, craftsmen, administrative staff, and other Workers as required by the nature of the work in the Free Zone and in accordance with the conditions agreed upon by the Authority and the requesting entity.
2. Establishments, Companies, and Individuals may employ or hire any person to undertake work in the Free Zone, provided that such person is not a national of any country politically or economically boycotted by the State.

Exemption of the Government from Liability
Article (15)

The Government shall not be liable to third parties for any debts or obligations incurred by the Authority or its affiliated entities. The Authority shall be solely liable for such debts and obligations.

Establishing Legal Persons
Article (16)

Limited liability Establishments and Companies, which have legal personality and are owned by a single natural or legal person, may be established in the Free Zone. Any such Establishment or Company shall be a distinct legal entity that have an independent financial liability, and the liability of its owner shall be limited to the paid up share capital.

Article (17)

1. The Chairman or his authorised representative shall have the power to approve establishment and registration of Establishments and Companies referred to in the preceding Article, and to regulate all procedures and issues related to same.
2. The Chairman may issue the regulations required for the foregoing purposes, including those imposing establishment and registration fees and issuing rules for deregistration and liquidation of Establishments and Companies, and other regulations required to control and monitor them.

Article (18)

1. In all work, contracts, advertisements, invoices, correspondences, and printed material of any Establishment or Company established pursuant to this Law, the name of the Establishment or Company shall indicate that it is established in the Free Zone by virtue of this Law, and shall feature the initials (FZE) to indicate that it is a limited liability entity.
2. Where the owner (s) of an Establishment or Company fail to comply with paragraph (1) of this Article, they shall be personally liable, without limit, for the obligations of the Establishment or Company.

Exceptions to the Law
Article (19)

Notwithstanding the provisions of this Law:

1. the products of national factories established in the Free Zone which are wholly owned by UAE or GCC nationals, or in which they hold no less than fifty one

percent (51%) of the ownership interest, shall be deemed as national products rather than imported products. No customs duties shall be charged in respect of these products when brought out of the Free Zone, provided that the factories are licensed by the competent entities in the State; and

2. the laws and regulations applicable to factories established outside the Free Zone shall apply to the national factories referred to in the preceding paragraph. The provisions of this Law shall not apply to these national factories and their products.

Assignment of Licence

Article (20)

A licence issued by the Authority may not be assigned to another party or entity without first obtaining the written approval of the competent body at the Authority.

Financial Resources of the Authority

Article (21)

The financial resources of the Authority shall consist of:

1. movable and immovable property allocated by the Government to the Authority;
2. fees for the services and facilities provided by the Authority;
3. returns on the sale or lease of the real property of the Authority;
4. profits and returns on the investment of the Authority and on the projects undertaken by the Authority directly or through Establishments and Companies wholly or partially owned by the Authority; and
5. any other resources approved by the Chairman to the extent that they do not contradict the Authority's objectives and the legislations in force.

Budget and Accounts of the Authority

Article (22)

1. The Authority shall have an independent budget that reflects its actual financial position.
2. In regulating its accounts and records, the Authority shall apply the rules and principles of commercial accounting in accordance with the internationally recognised standards.
3. The financial year of the Authority shall commence on 1 January and shall end on 31 December of each year.

**Financial Audit
Article (23)**

The accounts of the Authority shall be audited by the Financial Audit Department.

**Obligation of Government Departments to
Cooperate with the Authority
Article (24)**

All Government departments and public corporations and authorities in the Emirate shall fully cooperate with the Authority to enable it to achieve its objectives.

**Penalties and Sanctions
Article (25)**

The Chairman shall issue a bylaw specifying the administrative penalties for violation of any of the provisions of this Law and the regulations issued in pursuance thereof, or for violation of any of the terms of the licence issued by the Authority. This bylaw shall also specify the entity authorised to impose and implement such penalties.

**Repeals
Article (26)**

1. Law No. (2) of 1996 Establishing the Dubai International Airport Free Zone and its amendments shall be repealed. Any other provision in any other legislation shall be repealed to the extent that it contradicts the provisions of this Law.
2. The legislation issued pursuant to the above mentioned law No. (2) of 1996 and its amendments shall continue to apply to the extent that they do not contradict the provisions of this Law until the issuing of legislations replacing it.

**Commencement of the Law
Article (27)**

This Law shall be published in the Official Gazette and shall come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum

Ruler of Dubai

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Corresponding to 20 Rajab 1430 A.H.