

Law No. (16) of 2013
Establishing the
Dubai Investment Development Agency¹

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

After perusal of:

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (27) of 2006 Concerning Management of the Government of Dubai Human Resources and its amendments;

Law No. (25) of 2008 Concerning the Department of Economic Development;

Law No. (13) of 2011 Regulating the Conduct of Economic Activities in the Emirate of Dubai;

Regulation No. (3) of 2006 Determining Areas for Ownership by Non-UAE Nationals of Real Property in the Emirate of Dubai and its amendments; and

The legislation regulating free zones in the Emirate of Dubai,

Do hereby issue this Law.

Chapter One
Title of the Law, Definitions, and the
Establishment, Objectives, and Functions of the DIDA

Title of the Law
Article (1)

This Law will be cited as “Law No. (16) of 2013 Establishing the Dubai Investment Development Agency”.

Definitions
Article (2)

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

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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.

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| UAE: | The United Arab Emirates. |
| Emirate: | The Emirate of Dubai. |
| Executive Council: | The Executive Council of the Emirate of Dubai. |
| DED: | The Department of Economic Development. |
| Director General: | The director general of the DED. |
| DIDA: | The Dubai Investment Development Agency. |
| CEO: | The chief executive officer of the DIDA. |
| Investor: | A natural or legal person investing in the Emirate in accordance with the provisions of this Law and the legislation in force in the Emirate. |
| Preferential Privileges: | The incentives and exemptions granted to Investors and Investment Projects in accordance with this Law, the resolutions issued in pursuance hereof, and the legislation in force in the Emirate. |
| Investment: | The investment of Capital in a licensed activity in accordance with the provisions of this Law, the resolutions issued in pursuance hereof, and the legislation in force in the Emirate. |
| Capital: | The cash and non-cash assets and other valuable rights invested in the Emirate, including: <ol style="list-style-type: none"> 1. cash, securities, and foreign negotiable instruments; 2. machinery, equipment, fittings, means of transport, raw materials, producer goods, and other tangible assets allocated for Investment; 3. moral rights such as licences, intellectual property rights, patents, trade names, and trademarks registered in the UAE; and 4. profits and revenue reserves resulting from investing Capital in Investment Projects, where such profits and reserves are used for increasing the Capital, expanding existing projects, or establishing new projects. |
| Concerned Entities: | Government entities, excluding free zone authorities, responsible for Investments and Investors affairs, and for regulating Economic Activities. |
| Investment Project: | Any Economic Activity to which the provisions of this Law and the resolutions issued in pursuance hereof apply. |

Investor Services: The services related to facilitating the completion of the transactions of Investors including, but not limited to, obtaining visit, work, and residence visas; coordinating with the Concerned Entities with respect to the procedures for establishment of Investment Projects; and following up official transactions with these entities.

Establishment of the DIDA

Article (3)

Pursuant to this Law, a public agency named the “Dubai Investment Development Agency” is hereby established. The DIDA will have legal personality and the legal capacity required to undertake all acts and dispositions to ensure the achievement of its objectives. The DIDA will be affiliated to the DED.

Head Office of the DIDA

Article (4)

The head office of the DIDA will be located in the Emirate. The DIDA may establish branches and offices within and outside of the Emirate.

Objectives of the DIDA

Article (5)

The DIDA will have the following objectives:

1. to promote the Emirate as an international economic hub with a view to attracting various Investments to the Emirate;
2. to create an Investment climate suitable for the establishment of Investment Projects in the Emirate; and
3. to build trust in the Investment environment in the Emirate and promote Investment Projects and Investment opportunities in the Emirate.

Functions of the DIDA

Article (6)

For the purpose of achieving its objectives, the DIDA will have the duties and powers to:

1. set the general policy and strategic plan of Investment and attract and develop long-term Investment Projects, in line with the economic development plan of the Emirate;
2. coordinate with the Concerned Entities on proposing the Preferential Privileges that encourage the implementation of the programmes and initiatives required to promote Investment in the Emirate;

3. monitor and analyse the Investment climate in the Emirate, and identify available Investment opportunities and any obstacles hindering the development of Investment;
4. identify economic sectors to which it is necessary to attract Investment Projects, in line with the Strategic Plan of the Emirate;
5. create a database for existing Investment Projects in the Emirate and update this database on a regular basis;
6. provide the required information, clarifications, and statistics to those willing to invest in the Emirate, provide services to Investors to facilitate completion of their transactions, and expedite the licensing and registration procedures related to their Investment Projects;
7. consider and determine, in accordance with the relevant approved regulations and policies and the legislation in force in the Emirate, the applications submitted by Investors for obtaining the Preferential Privileges, subject to the international treaties to which the UAE is a party;
8. follow up and assess, in coordination with the Concerned Entities, the performance of the investment sector in the Emirate;
9. consider any problems that may arise between the Investor and the Concerned Entities and seek to find suitable solutions for these problems in coordination with the Concerned Entities;
10. promote, in coordination with the Concerned Entities, the Investment Projects and investment opportunities available in the Emirate and provide the Investors with information and data about these opportunities, through participating in conferences, symposia, events, and festivals relating to the work of the DIDA;
11. coordinate with international organisations and institutions in the areas relating to direct Investment;
12. in coordination with the Concerned Entities, establish an Investment portal to deal with Investors and provide them with outstanding and preferential services;
13. issue periodicals and bulletins covering matters relating to the Investment in the Emirate; and
14. perform any other duties required for the achievement of the objectives of the DIDA.

CEO of the DIDA

Article (7)

- a. A CEO will be appointed to the DIDA pursuant to a resolution of the Chairman of the Executive Council.
- b. The CEO will have the powers and duties to:
 1. propose the regulations and bylaws regulating the administrative, financial, and technical affairs of the DIDA, and submit the same to the Director General for approval;

2. propose the policies and strategic and operational plans relating to the work of the DIDA, submit the same to the Director General for approval, and take the necessary actions to implement these policies and plans;
3. propose the organisational structure of the DIDA and submit the same to the Director General for approval in order to present it to the Executive Council for final approval;
4. prepare the draft annual budget and final accounts of the DIDA and submit the same to the Director General for approval;
5. supervise the daily work of the executive body of the DIDA, and appoint qualified and competent Employees;
6. represent the DIDA before third parties and enter into contracts and agreements as required to achieve its objectives;
7. achieve the targeted performance outcomes and submit performance reports to the Director General; and
8. perform any other duties assigned to him by the Director General.

Financial Resources of the DIDA

Article (8)

The financial resources of the DIDA will consist of:

1. the financial support allocated to the DIDA by the Government of Dubai in the annual budget of the DED;
2. any revenues generated by the DIDA through conducting its activities and rendering its services; and
3. any other resources approved by the Executive Council.

Accounts and Financial Year of the DIDA

Article (9)

- a. In regulating its accounts and records, the DIDA will apply the relevant rules and standards of accounting approved by the Government of Dubai.
- b. The financial year of the DIDA will commence on 1 January and will end on 31 December of each year, except that the first financial year will commence on the day on which this Law comes into force and will end on 31 December of the following year.

Application of the Human Resources Management Law

Article (10)

Law No. (27) of 2006 Concerning Management of the Government of Dubai Human Resources and its amendments will apply to the Employees of the DIDA.

Chapter Two

Preferential Privileges

Determination of Preferential Privileges

Article (11)

The Executive Council will approve the economic sectors in which Investments are sought, and the Preferential Privileges that may be offered to Investors. Based on the recommendations of the DED, The Executive Council will also approve the classification of Investment Projects.

Areas where Preferential Privileges are Granted

Article (12)

Preferential Privileges will be granted to Investment Projects that are important to the economy of the Emirate and that achieve sustainable development therein, in particular:

1. industrial and infrastructure projects;
2. social, educational, and medical projects;
3. projects relating to exploiting the natural resources of the Emirate;
4. projects relating to the transfer and adaptation of various areas of technology and knowledge;
5. tourism and entertainment projects;
6. major Investment Projects; and
7. any other projects approved by the Executive Council.

Preferential Privileges Granting Criteria

Article (13)

Upon granting Preferential Privileges to an Investment Project, the following criteria must be observed:

1. the extent of conformity of the proposed Investment Project to the objectives of the Strategic Plan of the Emirate;
2. the extent of exploiting of local resources available in the Emirate;

3. the contribution of the Investment Project to increasing the gross national product and the work opportunities for UAE nationals;
4. the contribution of the Investment Project to increasing exports and reducing imports;
5. the extent of using modern equipment and technologies that meet the requirements of the economy of the Emirate; and
6. any other relevant criteria approved by the Executive Council.

Types of Investment

Article (14)

- a. Subject to the legislation in force in the Emirate, a foreign Investor may invest in the Emirate through ownership, partnership, or shareholding in accordance with the relevant resolutions issued by the Executive Council. These resolutions will determine the economic sectors in which investment is a priority, the maximum share or percentage of shareholding foreign Investors may have in these sectors, and the areas where ownership by foreign Investors is permitted.
- b. An Investor will have the absolute right to, as he deems appropriate, manage his Investment Project and to appoint persons to undertake this management in accordance with the legislation in force in the Emirate.

Role of Concerned Entities

Article (15)

For the purpose of enabling the DIDA to perform its duties under this Law, the Concerned Entities will, in cooperation and coordination with the DIDA, implement the approved policies, plans, and regulations related to attracting local and foreign Investments to the Emirate, and will expedite and facilitate the transactions of Investors to ensure the competitiveness of the Emirate.

Free Zones

Article (16)

The DIDA must consult and coordinate with the authorities and agencies supervising free zones regarding all matters relating to Investments within these zones.

Obligations of Investors

Article (17)

An Investor whose Investment Project will be granted Preferential Privileges pursuant to this Law, must:

1. notify the DIDA in writing of the dates of initiation and completion of the implementing procedures and actions necessary for the commencement of the Investment Project;

2. notify the DIDA in writing of the commencement of actual production or operation of the licensed Investment Project no later than thirty (30) working days from the date of such production or operation;
3. provide the information, data, statistics, and documents requested and deemed necessary by the DIDA for the application of this Law and the resolutions issued in pursuance hereof; and
4. comply with the legislation in force in the Emirate, and with the instructions related to security, and public health and safety, and those related to the protection of the environment and public order and morals.

Transfer of Ownership of Investment Projects

Article (18)

Subject to the approval of the Concerned Entities, if the ownership of an Investment Project is transferred from one owner to another, the new owner will continue to enjoy the Preferential Privileges and investment services granted to the Investment Project in accordance with this Law and the resolutions issued in pursuance hereof.

Chapter Three General Provisions

Penalties Article (19)

- a. Without prejudice to any stricter penalty stipulated in any other legislation, any person who violates the provisions of this Law or the resolutions issued in pursuance hereof will be punished by a fine of not less than one thousand Dirhams (AED 1,000.00) and not more than one hundred thousand Dirhams (AED 100,000.00). Upon repetition of the same violation within one (1) year from the date of the previous violation, the amount of the fine will be doubled. A fine must not exceed five hundred thousand Dirhams (AED 500,000.00). The Chairman of the Executive Council will determine prohibited acts and their corresponding fines that must be imposed upon violators in a resolution he issues in this respect.
- b. In addition to the penalty of a fine referred to in paragraph (a) of this Article, the DIDA may cancel all or any of the Preferential Privileges.
- c. The DIDA may reconsider its decision to cancel the Preferential Privileges granted to an Investor, if the Investor remedies the violation he committed within sixty (60) days from the date of the violation.

Issuing the Implementing Resolutions

Article (20)

The Chairman of the Executive Council will issue the resolutions required for the implementation of the provisions of this Law.

Repeals
Article (21)

Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Law.

Commencement and Publication
Article (22)

This Law 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 23 December 2013

Corresponding to 20 Safar 1435 A.H.